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FEBRUARY 23, 1986

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FEBRUARY 24, 1987 VOL. 100 NO. 8

COVER

The battle for Nicaragua

Almost eight years after the revolution that brought the Sandinistas to power, Nicaragua is a country under siege. As it confronts mounting pressure from the United States and a new offensive by the U.S.-backed contra rebels, food shortages, economic hardship, shattered hopes and restricted liberties are among the lesser consequences. —Page 16

COVER PHOTO BY BO CONNOR/STREET PHOTO



Mulroney's new offensive

Ottawa was staying quiet by accident after Quebec businessmen said that they paid top to a party attended by a minister—and contracts were discussed. —Page 6



One star's cancer struggle

After battling breast cancer, actress Jill Ireland has written a book about her struggle, and she now stars in a movie with her husband, Charles Hallahan. —Page 32



Slippery roads for GM

General Motors, the world's largest automaker, is closing some plants and automating others in a bid to bring costs into line with decreasing consumer demand. —Page 26



An exhilarating Rendez-Vous

During a week of celebrations in Quebec City, the Soviet national hockey team and stars of the National Hockey League competed fiercely. —Page 39

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delivered the results of the investigation to the council of war that tried me. They rejected his investigation, saying that there were no charges. After that I was held for another ten years, but I have not seen him since then. You know, I could not prove that Change was at the torture sessions, because I did not see him directly. I did not recognize the two people who tortured me when I was alone there, because they change after 16 years. You know how it is, they show you five people who all look more or less alike.

Maclean's: But are you sure Change was directly involved in the torture?

Tenarman: I think so. When I told the judges was that in one room in which I was tortured I heard his voice. Because you are blindfolded—when you are tortured they really do not interrogate you because you scream so much, you are in pain. It is really, as they say in Spanish, *pura obediencia*, to soften you up. The interrogations come later, in a second room. After the torture I would see him. He was always there. But when the judge asked me if I had seen him when I was tortured, I said no. **Maclean's:** How do you feel about the fact that Change's superior at the time, Gen. Carlos Guillermo Suárez Mason, was captured last month in California?

Tenarman: I would like Suárez Mason to be tried. No question about that. **Maclean's:** In 1960 the Argentine administration passed the *punto final*, a law which stipulates that certain crimes not brought to trial by March of this year will not be prosecuted. Is that a good idea?

Tenarman: People who have been charged, and who are on trial, there is no reason for them. They are being thrown back. And understand it, the *punto final* is only for the people who have not been charged yet, after those years, and Lugones with some kind of getting it and to the problems. There comes a time when you cannot charge people through a legal system, and there is nothing you can do about that.

Maclean's: The Mothers of the Plaza de Mayo, whose children were among those who disappeared without explanation under Videla, claim that the *punto final* is an amnesty in disguise. Do you not share that feeling?

Tenarman: No, no, I have no feelings of revenge. If you want to live in a democracy you have to accept the way democracy works. The Mothers want democracy, but instead of five judges they want a *Rebucquerre*, and they even say that Videla and Alfonsín are the same kind of president. This is crazy. If democracy works this way sometimes you like it, sometimes you do not. I accept it. I am happy having seen these generals being tried. That is enough for me.

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PLAN OF CANADA

Fighting a royal battle

He is a soft-spoken man with a neatly trimmed beard and a dignified yet unassuming manner. His modest office overlooks a parking lot filled with brand new automobiles. And few of his customers realize that Stephen Mungaiya, M, car leasing manager at Mississippi's Ocala Chrysler Ltd. car dealership, is a member of a royal family used to be-

descended from the
Qians of Shensi. But
although Mengsha,
great-grandson of
former Huiyuan
emperor Hsiao Sheng-
tsung, lives without
the trappings of royalty,
his family has remain-
ed among. When a
military coup de-
posed the emperor in
1875, the country's
new leaders also im-
prisoned Mengsha's
mother and grand-
mother. Since then
Mengsha, a Cana-
dian citizen since 1958,
has been acting as
through various
agencies—most re-
cently the Canadian
government—to se-
cure their release.

All he wants is
"to be a normal citi-
zen," he said. "To be in prison"

Mengo came to Canada as a 15-year-old student—a result of his great-grandfather's tradition of sending young royal family members abroad for education. "I was very keen on studying agriculture," recalled Mengo. But by the time he had finished high school in Toronto in 1969, Mengo said, he had become convinced of the need for reform in Ethiopia. As a result, after a year in agricultural college he switched to political economy at the University of Toronto and defied his powerful great-grandfather by joining the Ethiopian Students Movement, an organization that called for democracy and land reform in Ethiopia.

maintained a congenial relationship with his great-grandson, died at the age of 88 while under house arrest. Mengesha says that some members of the royal family were executed. Others, including Mengesha's mother, Princess Aida, 94, and his 35-year-old grandmother, Princess Tenagnework, were thrown into prison in Addis Ababa, the country's capital.



Since 1984 the Canadian government has been making pay-as-it-comes to the Eskiquimay government on Mengesha's behalf. David MacDonald, Canada's ambassador to Ethiopia, said Mengesha's wife, said MacDonald that some headway had been made. According to MacDonald, the royal princesses were recently allowed to move from a comfortable living quarters from the small city in which they had spent 12 years. Mengesha denied that the royal princesses were receiving kinder treatment. But MacDonald said

"There seem to be indications that the government does want to release them," MacDonald added. "It is possible that the government will be able to clarify sometime this year—which could result in freedom for Mengesha's family," said MacDonald. "The government has said that the prosecution of the constraints would in fact require them to release people of this nature." MacDonald, who is currently in Canada with his wife in Toronto, said that his relations outside Ethiopia have not interfered in restoring the monarchy. "If anything was going to be done to regain power," he explained, "it would have been done by now." Mengesha's father, who was engaged in Canada, said, "I must have been occasionally in some contact with life," and Mengesha

"I do not expect that here" But his past still follows him—especially when his colleagues refer to him as "yuu kapham" (said Mungsha). "It sometimes bullies the customers. I say to them, 'It is just a joke around here.'"



COLUMNA

The cold shoulder of equality

By Barbara Amiel

Barbara McDougall holds the post of federal minister responsible for the status of women in Canada. But this may be a misnomer unless she acts very soon. Let readers judge.

Last month the 40,000-strong members of a multinational organization called **NIAC** (National Indian Action Committee) of Canada were once again denied government funding. **NIAC** Women (its name is a strong statement of itself) is the Canadian branch of the women's building for Action for the past four years. There are now some 50 affiliated organizations across the country. The group has produced books on every issue that affects its members, from daycare to pay equity, landrights, economic planning and so on. It has also been successful in forcing the government to support federal organizations. The majority of them under the umbrella of the National Action Committee on the Status of Women, the women represented by **NIAC** Women go on licking their stamps and typing out their beliefs without a penny

What is it that the government has against ISAL Women? Last month, after the group made yet another application for operational funding, they were turned down by Secretary of State Daniel Cronin, who administers the women's program, which was set up in 1972. Cronin said that his program supports only those groups that "promote understanding and action on issues of war."

was related to a general movement for the emancipation of women that centred on the need to get women both the vote and equality before the law. These were the liberal principles that had been neglected. They had been neglected, I suppose, because society had more pressing concerns. It had to survive, and it arranged itself in the best possible way to do this. Only women could give birth and childbearing was a risky, hazardous occupation. Virtually up till the 20th century it was necessary to have several babies in order to see one survive.

As women joined both the franchise and, finally, full equality before the law, the feminist movement branched out into a different direction. It became an ideology based on a perception that women's role in society was not the product of a natural arrangement for the survival of both sexes, but rather an oppressed role in which women had been victimized by a deliberate effort to

Veterans need not have certain views to get veterans' support. Shouldn't the same be true for all of our women's groups?

keep them in the limelight of men. Now it was "catch-up" time, which often seemed more like "set-back" time.

Feminism became a post-quantity movement. In a liberal society, equality is generally taken to mean equality of opportunity. Contemporary feminists have argued and developed an argument that takes equality to mean equality of results. This leads to the argument that if women make up 50 per cent of the labor force, why are not 50 per cent of the management and executive positions? The explanation for this imbalance, in the view of the feminists, is a conspiracy against women by men. There is little question with the idea that disparity may be caused by individual aspirations, needs or abilities. This explanation is presented in the *Canadian Women's History Action Commission* as the *Barons of Women*. In addition, the *Seminale* at NAT has a full-length left-wing political program. Mac supports, for example, the withdrawal of Canada from both the North Atlantic Treaty Organization and NATO (1980), the United Nations Human Rights Commission, and the United Nations Conference on Women, and the reduction

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Mulroney's new offensive

Just 12 hours after his name was linked last week with an *in situ* investigation, Bob LaBalle invoked the news media to his aid for an important announcement. Journalists flocked to the LeBel, Que., hotel where the minister, without portfolio, might announce his resignation from cabinet. Instead, LaBalle handed out free champagne and unveiled a \$12-million plan to upgrade the local airport. Then, dismissing reports that 38 businessmen had paid \$100,000 to attend a dinner at which he was the guest of honor, he issued a proclamation of innocence—and ignorance. "That I have proof to the contrary, I refuse to believe that it happened."

But the witness Tory politician acknowledged that after last month's disclosure that he had two sides with original backgrounds and selected a motive to head a Crown corporation—his credibility was in question. "If it is necessary to quit the Cabinet, I am a volunteer," he proclaimed. "I am ready to make a sacrifice." In fact, LaBalle had already made that offer in a discussion with Prime Minister Brian Mulroney last week. "If you want me to leave, I'll do it," LaBalle said. According to David Lewis, LaBalle's press secretary, Mulroney replied that he had not yet made a decision.

The LaBalle offer capped the fourth consecutive week during which controversy about government scandals dogged the Conservatives. Although opposition MPs and reporters were increasingly uneasy with the desertist climate at Ottawa—and aware that erroneous charges could trigger a public backlash against them—reports of irregularities continued to surface. While LaBalle denied all knowledge of the northshore feed-racing scheme, Mulroney told the Commons that he first heard about the party in January, 1986, and quickly brought it to the attention of the acer

that investigations led to 50 charges of influence peddling, bribery and breach of public trust against Conservatives as Michel Groot, the host of the affair. Groot is scheduled to stand trial in March.

Meanwhile, Public Works Minister Bernard McNeen admitted that federal officials severely changed the bidding rules in the awarding of a \$1-million contract to rent a building to the federal

government—a contract which eventually went to a firm in Drummondville, Que., which had Conservative connections. That revelation followed indications that the city's Conservative MP,

for weeks, ministers said, they would feed Parliament with legislative initiatives, including tougher anti-corruption measures, after penalties for sexual abuse of children and proposals to legalize Crown corporations. And last week Deputy Prime Minister Don Mazankowski announced that a long-awaited free vote on capital punishment will be held in the Commons before June (page 40). One senior MP official told *Macleod's* "Mulroney feels it's a tough period where a lot beyond his control is happening. But he does believe that things will get sorted around. You have to keep your head down, keep to the agenda and continue to govern."

The Prime Minister himself was on the offensive last week. During a two-day swing through Quebec, Mulroney first lashed out at the opposition, charging that "everybody knows the Liberals did worse." Then he turned on the news media. "The press is chasing its tail every day to try and make its neighbor who can come up with a better story." And, by God, don't let the facts get in the way of a good story." Meant of the charges against his government, Mulroney said, were simply unsubstantiated "insinuations, half-truths and unfounded rumors."

Twenty-four hours after that angry outburst, Mulroney told the Commons that he first heard allegations about the Quebec feed-racing scheme in early 1986. He said that he "immediately" ordered the Clerk of the Privy Council, Paul Tebbit, to call the RCMP. According to a CBC report, the controversial farrowing party was held in Montreal in July, 1986, with then-public works minister LaBalle as the guest of honor. Most of the 30 businessmen paid \$5,000 apiece to cash-in on a feed race. In return,

they expected to receive federal contracts—but they apparently were disappointed, and later raised their complaints to LaBalle. But Mulroney pointed out that although charges were laid against another member of the House, LaBalle had not been charged, and he asked, "Can we not assume that someone is innocent until proven guilty?"

But these revelations focused unwelcome attention on Conservative fundraising methods. Last week rapidly and services department officials confirmed to *Macleod's* that they sent three civil servants to a business dinner organized

by Groot in March, 1986, in Montreal. The officials appeared because the competition between Hans Inc., a firm with Liberal connections, and Brodhead, a firm with Tory links, for a contract to provide space for a Canada Employment and Immigration Centre in Drummondville. The plans proposal was less costly in the final analysis, but Brodhead eventually won the contract because it offered certain requirements which Hans knew nothing about.

Last week Liberal MP Jean Lapierre released a March, 1986, letter from Gaultball to LaBalle urging that the contract be awarded to Brodhead. Lapierre also released another unsigned

He acknowledged that he discussed the contract several times in 1985 and 1986 with Drummondville Tories and asked for federal members. He also told talks with LaBalle's aides after public works officials recommended that the contract go to Hans. But Roy insisted, "I did not, either directly or indirectly, involve myself in any way in the decision-making process."

Despite these denials, the uproar continued. His record shows that it intends to go to court in May unless it recovers \$721,254 in damages for the loss of the contract in a spirited Commons session. New Democrat David Robinson maintained that they "should not be getting involved in helping Tories get contracts from Liberals." Roy, said Mulroney, "is, as a Canadian citizen and as a member of the political process, entitled to talk about contract procedures."

In an attempt to defuse the issue, public works department officials last week briefed Liberal MPs Lapierre and Don Head on the contract. But the minister's documents indicated that Treasury Board officials awarded the contract to Brodhead or LaBalle's department's recommendation. They also contained a complaint from a department official that there had been unspecified "political pressure" to give the contract to Brodhead. Finally,

Public Works Minister McNeen admitted that federal officials had changed the bidding rules—but had not informed the Liberal contender about the amendments. He said that only his predecessor, LaBalle, could explain if the contract was changed when changes were changes were changes because of political pressure. "If there was impropriety, it was before I got there," said McNeen.

Those problems came on the heels of last week's poll, conducted by Angus Reid Associates in early February. The survey revealed that 40 per cent of decided voters would vote Liberal, 35 per cent would support the PCs and a dismal 25 per cent would back the Tories. Some 60 per cent disapproved of Mulroney's performance as Prime Minister. And perhaps most damaging fully 50 per cent said that they believed last month's land speculation controversy involving a major defence contractor, Canadian Aerospace Inc.,



Canada Employment and Immigration office in Drummondville. Gaultball (below): 'I am not a lobbyist'

by Groot in March, 1986, in Montreal. The officials appeared because Ottawa officials free income on how to obtain federal department contracts. But apparently Groot added a clause to the event—and then asked the 38 businessmen to pay a \$200 admission fee.

The reports came on the heels of a new flurry of opposition charges over the Drummondville contract. A former Conservative organizer, Michael bedoussin Pierre Elie, was convicted last year of influence peddling in connection with that contract. Another unidentified Conservative is also under investigation. The Liberals have Prime Minister's principal secretary, Bernard Roy (page 31), and MP Jean-Guy

lutton—which he attributed to Gaultball—which complained about an internal public works department recommendation to award the contract to Hans. Gaultball would not admit that he wrote that letter—or that he had access to confidential departmental documents. But Lapierre complained that Brodhead had the edge in the contract. "It is a double standard—access for the Conservatives and no access for the others," Gaultball insisted that he had only done his job. "I am not a lobbyist—I am an MP. If you come to see me, I'm going to do everything."

Meanwhile, principal secretary Roy gave a series of interviews that quoted as many questions as they answered



Mulroney dogged by scandal and falling in the polls

Jean-Guy Gaultball, had interceded with LaBalle on behalf of the Tory firm and that senior officials in the Prime Minister's Office (PMO) had taken an unusual interest in the decision. As well, a national poll released early in the week put the Tories in last place in every region but Ontario. By May's end, the Tories, struggling to stay afloat and unified, were suffering. Said one senior ministerial aide, "It is just pervasive, this feeling of gloom. Everyone feels stuck in mud."

As that disgust reached into the PMO, Mulroney's senior advisers said that they were determined to regain control of the political agenda. Over the next

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was a sign of "widespread corruption" in the upper levels of government. Said Mulroney: "This is not an easy time for the government or for us."

The Prime Minister's determined defence of his tarnished government was buttressed by Newfoundland's fiery and unpredictable John Crosbie, the transport minister. The Canadian Press reported last week that Crosbie and two aides went fishing last summer with executives of two airlines that deal directly with his department. Crosbie admitted taking the trip—with Air Atlantic chairman Craig McKinnon, a friend of Crosbie's for 35 years, and Donald Carly, president of Canadian Pacific Air Lines. But Crosbie said that his men paid for the airline's expenses—and he denied that he borrowed funds on the two companies. Indeed, he later reiterated a part of its story which implied that Crosbie had loaned one of the firms. "When we are appointed minister, we do not withdraw from the business made," Crosbie belittled in the Commons, as fellow Tories cheered.

Conservatives drew further encouragement from signs that both the opposition and the media were growing uneasy about the spate of charges. Jack Ivis and Liberal wags said that the scandals were interfering with important policy questions, especially Ottawa's export tax on softwood lumber. Liberal leader John Turner warned his caucus at its regular Wednesday meeting that the concentration on scandal was turning voters toward the NDP—since that party had never held federal power and thus appeared untainted. The public, Turner added, would focus on a slanting, scandal-buoyed opposition.

Still, many Conservatives continued to insist that they must clean up their government—and their party. Early last week members of the Tories' Quebec caucus called for a series of major reforms. Among them: a ban on union and corporate donations to political parties; an independent committee to examine judicial appointments, reprobation of lobbyists and a requirement that only recognized financial institutions be allowed to administer blind trusts established to ensure that ministers are free of conflicts of interest. Quebec Tory MP Francis Gagné, a longtime champion of reform, said that he believes Mulroney will back these proposals. "It is a good time," agreed Gagné. "Sometimes, to decide to stop smoking, you have to be told by your doctor that if you don't, you will be in great trouble."

—DAVID JARVISMAN AND PAUL CORREIA, HELLA BY JACKSONVILLE AND MICHAEL BELL, HELLA BY OTTAWA. MULRONEY (LEFT) IS IN OTTAWA AND JOHN TURNER IS IN QUINCYVILLE.

At the eye of a blistering storm

They are Prime Minister Brian Mulroney's most trusted advisers and among his closest friends. But the two men saw at the eye of a storm over alleged Conservative government irregularities among the two most powerful positions in the Prime Minister's Office (PMO). Principal secretary and chief of staff Bernard Ray, 46, is an urban yet unassuming former Montreal civil servant. Ray reluctantly took on the highly sensitive job as a personal

Quebec City. Later, both worked for the Montreal law firm of Ogilvy, Reness and Charbonneau in downtown bachelor apartment. But Ray stayed out of politics until 1984, when he acted as chief Conservative organizer in Quebec.

Observers said that Mulroney's decision after the 1984 election to choose Ray over Doucet as principal secretary indicated an unwillingness about Doucet's abilities. While chief of staff is the opposition leader's office, Doucet is said

Doucet was involved in the negotiation (page 12). Some Tories claim that Doucet has established a defensive, bunker mentality in the PMO, and has taken loyalty to Mulroney to extreme lengths. Said "Tory insider" Fred would never jump off the top of the Peace Tower than question a request from the Prime Minister. "But others contend that the criticism is unfair. Said Ottawa consultant Gary Ouellet, "Fred got blamed for a lot of things he is not responsible for."

The same charges have been levelled at Ray. Simple loyalty to Mulroney, critics say, has not equipped Ray for an demanding position. Observers applaud his administrative skills, but give him few marks as a political tactician. Said one Ottawa Ottawa consultant, "He may be morally clear, but every one ends at his doorstep."

Another Tory insider noted that Ray's close personal bond to Mulroney has made even constructive criticism of his performance impossible. "Nobody will criticize Bernard around the PMO because they know that it will be taken as a personal insult by Brian." And despite his relationship with the Prime Minister, there are persistent



Advisers Doucet (left), Ray, their loyalty to the Prime Minister drives back to university days.

ties to Mulroney. Former adviser J. Alfred (Fred) Doucet, 49, is a former university administrator from a poor Celtic family who also had little previous political experience. Their main qualifications and common connection is fierce and unwavering loyalty to Mulroney.

Doucet's association with Mulroney began, as did many of the Prime Minister's friendships, in the late 1950s at St. Francis Xavier University in Antigonish, N.S. Doucet worked on Mulroney's campaign to become Tory leader in 1983, and became his chief of staff in the final months of the Liberal government. Their personal ties have remained strong when Doucet returned last March, Mulroney was best man.

Ray's friendship with Mulroney dates from the early 1960s, when the two studied law at Laval University in

to have alienated many Conservatives with his unorthodox and his inability to work with the powerful Ontario Tory machine. Mulroney may also have had qualms about Doucet's unsuccessful business venture as chief executive officer of East Coast Energy Ltd., which went bankrupt in 1985.

Still, Doucet's responsibilities have grown—from looking after the Prime Minister's day-to-day agenda, including travel arrangements and domestic staff, to preparing dossiers on international relations and federal-provincial affairs, and organizing summits between Mulroney and President Ronald Reagan. Said one PMO colleague, "Fred is very good at orchestrating events."

But many of Mulroney's current difficulties appear to be a result of Doucet's orchestration of the PMO's response to political crises. The latest case, the Canada-France fishing deal in which

runners that Ray wants to return to Montreal. Said one old friend, Montreal lawyer Richard Blais, "Politics is just not his business. He's in Ottawa out of loyalty to the Prime Minister."

Clearly, the ongoing controversies have taken their toll. On his return from Mulroney's African trip on Feb. 2, Doucet collapsed and was treated for exhaustion. And Ray has told friends that he is deeply troubled by questions about his integrity. Last week he said that even his 86-year-old mother had called him to ask about allegations that he intervened in granting a federal contract to a company with "Tory connections" in Drummondville, Que. As the government's difficulties continue, the pressures on both men are certain to remain.

MICHAEL BELL is Ottawa staff. ANTHONY WILSON-OWENS is Montreal and CHRIS WOOD is Halifax.

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Mazowiecki announcing a free vote on capital punishment guided by conscience

A return to the gallows?

On Dec. 11, 1992, convicted murderers Arthur Lucas and Ronald Turpin were hanged in Toronto's Don Jail. Their place in history—is the last people to be executed in Canada—secured insured after the Commons voted narrowly to abolish capital punishment on July 14, 1976. But were then police associations, joined by many Conservative MPs, have pressured governments to reverse that decision. Last week their campaign bore fruit, as Deputy Prime Minister Don Mazowiecki introduced a motion in the Commons that could bring back capital punishment.

A free vote—in which MPs are guided by personal conviction rather than by party discipline—is expected to be held by June. If the motion passes, a committee of MPs will hold public hearings and draft a new law outlining what crimes would be capital offenses and the method of execution. This legislation would then have to be debated and passed by both the Commons and the Senate. Opposition MPs said that they expect a final vote will not be held before the next election.

The opposition also claimed that last week's motion was tabled to deflect criticism from the reforming scandal now plaguing the Tory government. Said Liberal MP Don Boudreau, "The government is literally under siege. That's why they've brought this issue to the forefront now."

The government, however, was also under attack from its own right wing.

Some MPs said that Prime Minister Brian Mulroney had moved too slowly in bringing his 1984 election campaign promise to debate and vote on capital punishment. The right wing's frustration was underscored last week when Ontario MP John Riffe proposed forming a Tory splinter group to lobby the government on similar conservative causes, including the death penalty. That same day Mazowiecki put the motion on the Commons order paper.

Although Mulroney himself opposes the death penalty—so do Liberal Leader John Turner, now Leader Ed Broadbent and most of their colleagues—Conservatives say that a majority of Tories will support restoration. Bold Ontario Tory MP William Dawson, a leading proponent of restoration, "The process we have now announced is a victory for those who want a return to capital punishment."

Victory, however, is not assured. Any change must also be approved by the Senate, which is dominated by Liberals. And most senators are believed to be abolitionists. But Royce Frith, deputy Liberal leader in the Senate, said his colleagues will be reluctant to thwart the will of Parliament. "The Senate has the constitutional right to defeat the measure," Frith said. "But do they have the political authority to do it?" He said politicians in both chambers, the life-and-death question seems likely to pose a real-searching dilemma.

—PAUL GIBBELL in Ottawa

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Premiers Peckford, Buchanan, P.E.I.'s Joseph Ghis and Ontario's David Peterson in Toronto, Crozier (below) anger

Heating up the cod war

The protest was blunt—and effective. After the French trawler *Grande Hermine* had unloaded just in quarter of its catch at a warehouse on the island of St-Pierre last week, warehouse manager Jean Desportais locked the building's big blue doors. Local businessmen had requested to Desportais that the action would dramatize the anger felt by residents of the French-ruled island. The reason: chronic overfishing in nearby waters by factory trawlers based in mainland France and Antigua, the most people on St-Pierre and its neighbor, Miguel, was again threatening a stand against the growing threat to their vital fishing industry. St Desportais. "This is a question of life or death for St-Pierre."

In Newfoundland, just 22 miles north of St-Pierre-Miquelon, anger at overfishing by French ships was running equally high. An agreement signed last month between France and Canada so increased Premier Brian Peckford that he persuaded seven other premiers to hold a conference in Toronto to discuss it—one of the first times that the premiers had ever held an emergency meeting on a single issue. The premiers called on Ottawa to review the controversial accord that could eventually give French fishermen additional catches of northern cod.

In the House of Commons, opposition was directed a barrage of criticism at the Conservatives over the pact and the government's failure to include Newfoundland in the final negotiations that produced it. Transport Minister John

Crozier, a Newfoundland, criticized his own government for being insensitive to his home province. Last week, in an attempt to satisfy both Crozier and the outraged East Coast fishing industry, Prime Minister Brian Mulroney wrote an apologetic letter to Crozier. In it, Mulroney assured the minister that it was not his intention to harm relations with France, as the fishermen's concerns are the paramount consideration.

The *Grande Hermine* had been fishing in its favorite fishing zone—about 100 miles from the island of St-Pierre-Miquelon, an area that is claimed by both Canada and France. In return for additional catches in other areas, France agreed in the accord to restrict submitting the territorial dispute to international arbitration.

Meanwhile, the ship's skipper, Michel Azou, challenged the widespread fear that cod stocks in the area are shrinking. "Five years ago it took 15 days to catch 100 tons," said Azou. "Now we can do it in seven or eight days." Still, *Grande Hermine* set sail for the fishing grounds with about 350 tons of frozen filleted cod on board—determined to fill the remaining space in its hold. Said a frustrated Azou: "What else do I do? I don't have any money. This isn't war."

Although the islanders shared Newfoundland's concerns about overfish-

ing, their reasons for wanting the Canada-France agreement renegotiated were quite different. Newfoundland objected to a clause that could give the French access to prime cod stocks outside the disputed zone between 1980 and 1990. But the people of St-Pierre-Miquelon did not object to the quotas set under the accord. Instead, they insisted that islanders be given a bigger share of the catch landed in France. The islanders claimed that because most fishing vessels from mainland France will soon be able to fish in the zone, but owners are attempting to scoop up as much fish as they can before their ships must be scrapped—destroying the fishing grounds near St-Pierre-Miquelon in the process.

For its part, France will not agree to reopen negotiations unless Canada is prepared to give up some of its fishing grounds. "We can't accept any reduction," said Maurice Fournier, an official of the French fisheries department.

Still, as the premiers assembled in Toronto's Royal York Hotel, most were clearly uncomfortable with their role in the dispute. "Every one of them knew that the federal government has treaty-making powers, and an ability to open premier 'Why are eight premiers sitting on judge and jury on this deal? This is insane.' After 24 hours of discussion that ended at 1 a.m., Albert's Donald Getty admitted that he still did not fully understand the agreement—or Peckford's objections to it. The premier stepped short of supporting Peckford's demand that Ottawa renounce the agreement, instead, they issued a sta-

tement saying that while warning, said Newfoundland Liberal MP Brian Tobin, was hollow, because few French trawlers in fact said to use the province's ports.

Crozier also released Mulroney's letter, written after the minister bitterly criticized the government's handling of the final negotiations with France. In it, the Prime Minister promised that Canada would be involved in all matters affecting the fishery of Newfoundland and Labrador, and that provincial participation in negotiations "will be continuous and intensive."

Mulroney's gesture to Crozier—and to Newfoundland—was prompted in part

because statement chastising federal negotiators for not consulting more closely with Newfoundland officials and calling on Ottawa to review the agreement with the five affected provinces (Quebec and Atlantic Canada).

The meeting and the statement did not have the impact that Peckford had clearly hoped they would. "Quite frankly, it's live in the real world here," Premier John Buchanan told reporters back home in Nova Scotia. "The review process is not going to result in a so-called renegotiation of that agreement." In Ottawa, Fisheries Minister Thomas Mulroney noted that remark. Still, he scheduled to meet the



French trawler off St-Pierre-Miquelon: 'This is a question of life or death'

by the unusual meeting held by the eight premiers. At Peckford's request, they had gathered to discuss a personal displeasure with how Ottawa negotiated the Canada-France fishing accord. To most observers, the very fact that seven premiers assigned his territory—Quebec's Robert Bourassa and British Columbia's William Vander Zalm—could not attend—signaled growing displeasure with the federal government.

Still, as the premiers assembled in Toronto's Royal York Hotel, most were clearly uncomfortable with their role in the dispute. "Every one of them knew that the federal government has treaty-making powers, and an ability to open premier 'Why are eight premiers sitting on judge and jury on this deal? This is insane.' After 24 hours of discussion that ended at 1 a.m., Albert's Donald Getty admitted that he still did not fully understand the agreement—or Peckford's objections to it. The premier stepped short of supporting Peckford's demand that Ottawa renounce the agreement, instead, they issued a sta-

ment with the fisheries ministers of Quebec and the Atlantic provinces. It doesn't change the pact, said Mulroney. "There is no chance the deal will be scrapped."

While the politicians continued to debate, another confrontation was brewing on St-Pierre. After unsuccessful rebuffing *Grande Hermine* last week, the islanders were planning a second round of protest against French fishing practices. Early this week another trawler from mainland France, Le Desplein, was expected to dock at the island to unload its fish. Warehouse manager Desportais said it would receive the same treatment as *Grande Hermine* but would accept only 100 tons of fish for storage, "not a pound more." Peckford noted no official response to the first action. But if the tiny islanders continue to obstruct mainland fishermen, France may not be able to ignore the protest on St-Pierre.

—CHERYL BARRETT with CHRIS WOOD in St. Pierre, MICHAEL CLARK in Toronto and GUY WHITE in St. John's

A champagne homecoming

His eyes were bloodshot, and he coughed. It is less than he did before his ordeal began. But Philip Egan, the Canadian embassy released last week after being held in Iran on charges of espionage, insisted that he was treated well during his 60 days in captivity. "The meals were being left adequate," he said after arriving at Toronto's Pearson International Airport. "I had sunlight." Without any batteries, Egan said he felt no ill feelings toward his captors. And although he was interrogated for 10 days, he spent most of his time in a comfortable hotel room in Tehran's Bita plane, solving mathematical and physics puzzles. "I had a job," he said. "It was a way I thought that I was even going to miss the 'corridor'."

In Ottawa, Iranian embassy officials continued to insist Tehran had evidence that Egan was guilty of spying. The release, they said, was simply a ploy to attract attention. Canadian officials of Iranian operations for Schlumberger Ltd., a multinational oil services company, Egan was first questioned by Iranian authorities last October after so-called spies in his travelling bag. The Iranians said they were pursuing sensitive post areas, off limits to photographers.

After the film was discovered, Egan returned to Canada on vacation. But when he flew back to Tehran on Dec. 2 he was arrested and charged with espionage. He was held in a prison and the efforts of both British and American officials in Ottawa and Iranian diplomats in Tehran—who have handled Canadian affairs in Iran since Canada closed its embassy there in 1980—before Egan was freed. But Egan said he knew no secrets. "I was an interrogator told him he believed he was innocent—that he would be released. Back in Canada, Egan refused to answer questions about the photographs he had taken. But he explicitly rejected Iran's charges. "It is not a spy," he said. "I hope you realize that."

Later, Egan's family in St. Catharines, Ont., pressed the diplomats who secured his release and celebrated his homecoming with several bottles of champagne. Egan himself, already planning a vacation, would not reveal the date of his next job posting. But when he would return to Iran, he replied, "No, would you?"

—GREGG ALEXANDER in Toronto

Retreating from Norway

When 6,900 Canadian soldiers took part in a military exercise in Norway last summer, commanding officers described the operation as a success. But to defense department planners in Ottawa, the exercise—code-named *Brown Line*—was a logistical nightmare that confirmed what many of them had already expected: Canada could not live up to its 19-year-old NATO commitment to help

defend Norway in wartime. In its most ambitious mission of the decade, the armed forces had moved 15,000 tons of equipment across the Atlantic to Norway in 25 days, as planned. But Defense officials said that if war broke out, the entire Canadian Air/Sea Transportable (CAST) Brigade would arrive far too late to conduct advanced Warsaw Pact forces. And resupplying the troops with food, ammunition

and replacement vehicles would be almost impossible. And one officer closely associated with the exercise, "There is a horrendous problem which all the training could not overcome. Supply ships would have to go into hostile waters in the heart of Soviet submarine activity, and that's suicidal."

New, armed with the results of that experience, Ottawa is preparing to withdraw its commitment in Norway. Defense Minister Pierre Beatty is expected to announce next month that Canada will withdraw from its agreement to send a brigade and two fighter squadrons to northern Norway in the case of war. The area is considered a vital strategic asset because of its proximity to North Atlantic sea lanes and its 300-km coastline border with the Soviet Union. Instead, Canada will pledge its reinforcements to West Germany, where a brigade group and three CF-18 fighter squadrons are already stationed. Beatty will likely ask Canada's NATO allies to approve the arrangement before the end of February. Final negotiations could take another two months.

To compensate its NATO allies for the move, Canada will be expected to "suitably equip" the forces that it would send to West Germany in an emergency. Defense officials told *Maclean's* that Canada may agree to buy 100 Leopard 2 tanks from a West German manufacturer for those forces—at a cost of roughly \$5 million each. The tanks would supplement the force of 25 Leopard 1 tanks currently stationed with the Canadian troops.

The Norway decision is part of a major review of Canada's defence policy scheduled to be outlined in a government white paper expected this spring. While the paper—the first on the subject since 1975—will also discuss the question of how Canada should enforce its sovereignty in the Arctic, much of it will deal with Canada's obligations to NATO instead of splitting its small NATO forces and maintaining two vulnerable supply routes 3,500 km apart—one to northern Norway and the other to West Germany—Canada would consolidate its 12,600 troops in Germany. Said a retired Canadian defence adviser, "The idea is to concentrate on Central Europe, where the war would be won or lost."

Under the plan, the squadron of 30 CF-5 aircraft currently committed to Norway would be stationed at Laib, to complement the 48 CF-18 fighters operating from Baden-Söllingen in West Germany. NATO sources confirmed that Great Britain would likely take over Canada's commitment to help defend Norway, possibly using the Royal Marine Commandos with assistance from Dutch commandos. The United States would assume Canada's air role.

Military officials have repeatedly pressed the government to drop what some of them call its "paper commitment" to Norway. Indeed, ever since then-defence minister Leo Cadzow made the Norway pledge to NATO in 1968, there have been widespread doubts in the military that Canada could live up to it. *Baroness Bruce Lees*, which stressed the resources of the armed forces to the limit, reinforced those doubts. The defence department had to rent civilian planes and ships to help move their supplies and borrow troops from other armed forces units stationed in Canada to bolster the backup for the CAST contingent. Said one Canadian general, "The logistical unit behind the brigade didn't exist and had to be created by asking people from bases in Peterborough."

Beatty, who acquired the defence portfolio last July, has taken on the task of consolidating Canada's NATO forces exceptionally fast and one high-ranking Canadian NATO official recently was prepared to take some tough decisions other people had avoided. "At a series of meetings of NATO defence officials late last year, Beatty, 36, sounded out his counterparts and made wide-ranging consultations on rearranging Canada's commitments in Europe."

On both sides of the Atlantic, the message was the same: Canada would meet little resistance as long as it arranged alternative defenses for Norway and provided compensation. Declined one senior NATO official, "People would be worried if there was a withdrawal and no extra men, equipment or aircraft offered."

British general Geoffrey Howlett, commander-in-chief of NATO's Northern Command, described the proposed changes as "a minor hiccup on a general path of improvement." Even the Norwegians—who, like the Canadian military, had questioned Canada's ability to honor its commitment—said that many privately support the plan. Said a senior NATO strategist, "The Norwegians were not as unhappy as they might have been; they have a strong commitment by the United Kingdom." Added Anne Broadbent, senior research fellow at the Norwegian Institute of International Affairs, "Great Britain would soften the blow."

This week Beatty will meet Norwegian Defence Minister Johan Jørgen Skjott in Ottawa to finalise the agreement before formally presenting it to the NATO allies. Meanwhile, the Canadian military—hopful of improving Canada's record in NATO after years of troop cutbacks in the 1970s—is preparing to celebrate one small victory.

—BLAIR MCKENZIE in Ottawa

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THE WAR FOR NICARAGUA

Here was one of the thousands of tragedies. Not the worst, certainly not the last, but a terrible testament to the suffering endured on the innocent in war. In a hospital in Parícuta, in Nicaragua's northeastern province of Jinotega, seven-year-old Edén Sánchez visited his father at the bandaged slab where his left leg had once been. With her father, an evangelical minister, she and 15 others were riding to a parish meeting in the back of their village's flimsy truck when it hit a land mine planted in the road by rebels. From the burning wreckage, rescuers pulled six bodies,

including her father's, and 11 badly wounded survivors. They were victims of an underfired six-year war for hearts and minds in the tiny, impoverished Central American nation which has become one of the most explosive reservoirs of President Ronald Reagan's foreign policy.

Almost eight years after an uprising among Nicaragua's 35 million people that led to the overthrow of the 34-year dictatorship of the Somoza family, the revolution is under siege. Last month the White House launched a new campaign in Congress for another \$186 million (U.S.) to arm counterrevolutionaries—

known as the contra—against Nicaragua's leaders, the Sandinistas. President Reagan has branded Nicaragua's leftist regime a Communist "concern" on the southern flank of the United States. His determination to fail the country's guerrilla war has drained the Nicaraguan economy, already shattered when the Sandinistas ignored U.S. State May, 1985, when Washington imposed an economic embargo. Nicaraguans have been anxiously seeking alternative markets for their bananas, coffee and lobster. As food shortages grew and social services broke down, Nicaraguan President Daniel Ortega drew pressure from business leaders critical of increasing curbs on their freedom to the state's mixed economy. And the powerful Roman Catholic Church, in which about 80 per cent of Nicaraguans belong, has become a vocal critic of the government's suppression of civil liberties.

Casualties: The country's most pressing problem is a renewed threat from the rebels. Since Dec. 1, an estimated 3,900 to 4,000 contras have infiltrated Nicaragua in a stepped-up offensive intended to justify arguments for another infusion of congressional funds. The war has already claimed 36,000 casualties—including at least 4,501 dead—and cost Nicaragua \$2.5 billion. But the Sandinistas seem less concerned about dealing with the contras themselves—which are military officials compared to swelling files—

then with the large U.S. military presence building over their northern border in Honduras (page 26). The presence of anywhere from 2,500 to 5,000 U.S. troops there is a daily reminder of the fragility of the Nicaraguan policy trying to keep the revolution afloat over the next two years as they wait out Reagan's presidency.

Weakness: At the same time, the White House's Central American policy is opposed by several of its allies, including Canada (page 26). And domestically, Reagan's position has been weakened by the scandal involving the administration's secret solicitation to the contras of funds raised from illegal arms sales to Iran. Even the leadership of the contras—a hastily patched together conglomerate of former Nicaraguan middle-class leaders—is disintegrating in the face of internal differences over control of the hard-core contra army, which has been charged with repeated human-rights abuses. Still, in an interview with *Nation's*, Ortega claimed that the contra's weakness might provide Nic-

agua with a direct U.S. military intervention (page 20).

Confronting the contras and bracing for the possibility of a U.S. invasion have been costly concerns for the Sandinistas. The government alone uses more than 50 per cent of its budget to defend—funds badly needed to rebuild a society

pressure of accident victims because their mothers have broken, they have also had to stop bone blood tests and close one of their best operating rooms for lack of vital equipment.

Drained: The war has taken its toll on the revolution's other major achievement—a free education system. Universal schooling and a literacy campaign have reduced the country's illiteracy rate to 32 per cent from 58 per cent in less than seven years. But the system has been drained by a large exodus of teachers who can no longer survive on salaries as low as \$4 a month. Said Roberto Somoza, an assistant to the minister of education: "Half the students don't have desks. They're standing or sitting on the floor."

The war has also caused long lines for basic goods—including meat, most of which is reserved for export to earn badly needed foreign currency—among the one million people of Managua, the capital. Water shortages force authorities to turn off the supply from dawn until 10 p.m. twice a week. And the public transport system is virtually useless, with most of the buses out of service because of a lack of U.S.-made spare parts. Managua now exists with what Ortega calls an "economy of survival."

Still, despite a national anthem



born apart by nearly two decades of earthquakes and bloodshed. At the Managua Morales hospital, Managua's main surgical facility, there is clear evidence that the country's health care system, until recently the pride of the revolution—is crumbling. In the emergency room, doctors cannot take the blood

Sandinistas away in training; Contras (right); Sandinistas (left); defense and reconstruction

which characterizes Americans as the "enemy of harmony," there is little evidence of anti-Americanism. Those who can afford it crowd into Masagü's theatre to see Hollywood's latest films—currently Francis Coppola's *The Godfather Part II*. Benjamín, who is in charge for the war, and the American, said Alejandro Cruz Contreras, a former from a cooperative outside the northern village of Pueblo Nuevo.

Contradictions: Even the American ambassador, Henry Bergold, does frequently with the Sandinista leaders, sometimes at their homes. Bergold's good relations with the leadership may be partly a result of the fact that he has in private managed to distance himself from his own government's policy.

The schizophrenic attitude towards America is one of the many contradictions that make the Nicaraguan revolution so complex, defying easy definition. While Reagan denounced Nicaragua as "totalitarian," in fact Nicaragua has cut ties with its government badly and rapidly in what Masagü Mayor Manuel Hansen has described as a "policy of complicity." Although the government closed the opposition paper *La Prensa*, it opened *Contenido* and a radio call-in show devoted to airing listeners' complaints about government policies and the hardships of daily life. The show has become the country's most popular radio program, with 800-800 tuning in every morning. Another outlet since the early days of the revolution has been the Sandinista "work" force. The People's meetings with troubled sections of the population.

In the current crisis, the Sandinistas have taken a calculated gamble to let Masagü's citizens and the middle class use the press for keeping two very essential constituencies satisfied: the army and the peasants, particularly those in the countryside who are vulnerable to the "contras'" arguments and attacks.

Immediately after taking power, the Sandinistas began fulfilling their blueprint for radical social change with a vast redistribution of land to the country's dispossessed peasantry, a nationwide literacy campaign and a massive school and hospital building program. But by 1983 the contras were winning the upper hand in the fighting. Following a policy of systematic sabotage, they destroyed some

of the best coffee plantations and reduced one of the country's most essential exports by half. Then, in January, 1984, the government introduced a military draft—sparking massive protests, including demonstrations from Catholic priests, across the land. The contras transformed the Sandinista army of 32,000 soldiers and reservists into a 60,000-member professional force, including large numbers of women, and turned the military tide.

But the strategic watershed also marked the beginning of the economy's swift and disastrous decline. Many of the country's best manpower left the workforce to take up arms. As the state released its efforts to equip, feed and clothe them, production plummeted. As a result, the government has found it possible to finance the war for most of the country's life.

Analysts say that the Reagan administration's embargo was more effective than Washington had expected it to be, forcing the inexperienced Sandinistas to scramble for nine months to find new markets. Now, the country's banana exports, which once made a two-day trip to California, take a costly two weeks to get to their new buyers in Belgium.

Leaching: But Ortega claims that the government has finally stopped the economic slide. And the Sandinistas appear to have maintained their grassroots support among the poor rural population through improved housing, schools and other services. Peasants like Brindley Sánchez, a 48-year-old member of 12 who works the sugarcane fields on a co-operative farm outside the northern city of Managua, responds with evident confidence at mention of the contras and their aim to oust the Sandinistas. The response recently blew up a nearby bridge and took a



boy from a neighboring hamlet back. But Sánchez says that she is not afraid of their attacks—which, the human-rights organizations Amnesty Watch reported earlier this month, included systematic rape, murder and mutilation.

Hansen refers to the contras as "La Guardia," a reference to the country's hated National Guard, whose former officers continue to dominate the top contra ranks. He says, they are assassins of a sort who would never want to return to "Belice, we lived like animals," he said. "Now we own the land, have a well and our children go to school. I would rather go down on my knees than go back to the old days."

Fragmented: Even among the swelling ranks of Masagü's discontented, the constant complaints have failed to translate into any widespread movement that could threaten the Sandinistas politically. In part, that is because the

League for meat ration shortages, hardships and a chance to let off steam.

14 parties of the opposition—already fragmented by ideology and internal squabbling—have failed to produce any compelling leaders or policies. "There is no personality, no ideal that would bring people to the barricades," said a Western observer. "That is the Sandinista's aim in the long."

Blind: Despite the absence of a coherent opposition, there are indications that the Sandinistas have decided to counter urban discontent with some tentative gestures of liberalization within the prolonged state of emergency that has left the country with an oppositionist newspapers and weakened independent unions. Last week the Sandinistas announced that the government would allow the Catholic church's official radio station, which they closed in October, 1985, to resume and two of its most outspoken expelled clerics to return to the country. It was a step toward healing the bitter rift between the Sandinista hierarchy and that of the church, led by Cardinal Miguel Obando y Bravo. He and Ortega once worked together to overthrow the Somoza dictatorship, but three years after the revolution

Obando became estranged from the Sandinistas over their mistreatment of Marxism and Christianity and the creation of a so-called popular church in rivalry with the official church.

But many of the Sandinista's critics remain skeptical about the government's recent gestures. They point out that the authorities spent months drafting a constitution to protect civil liberties and minority rights, and then—only hours after adopting it—suspended its provisions by reneuing the state of emergency laws. But it promised in 1985. But Ortega has vowed that he will end the state of emergency if the United States ends its war against Nicaragua.

Reverend: Still, many of the Sandinista's fiercest opponents are people who once belonged to the regime's inner circles of power and who left their hopes betrayed. One, a 23-year-old university student, rose in the ranks of the party and was a past organizer of the formation of one of the youth organizations designed to shape the revolution's new society, or new man. He charges that it gradually evolved from a revolution program

into a political propaganda course, at which the Young Pioneers, aged 6 to 14, had to study Marx and Engels's Communist Manifesto in comic-book form. His disappointment deepened when the party insisted on sending a 10-year-old boy to a school conference in Bulgaria over his father's protest. But his ultimate disillusionment was the result of a mission to Cuba. "I saw that the Cuban youth seemed tense and robotic," he said. Added the former youth leader "I realized that if I was supposed to create a new man who would be like the Cuban man, I didn't want to do it."

Misplaced: But many North American volunteers working in Nicaragua express skepticism that another revolution, Soviet-backed regime in Cuba is the best model for the Central American situation. And most skeptical of all are the brigade of a dozen Albertans and Saskatchewan farmers who have spent a month working in the model Casa Hispano co-operative near Pueblo Nuevo, 30 km from the Honduran border. The volunteers with the Farmers Solidarity Brigade are helping peasants accustomed to as teams to understand the mysticism of the tractor. They are part of Canada's aid effort—over \$1 million in government grants and millions more through private groups—in Nicaragua. Some, like Doug Thorpe, a 30-year-old grain farmer from Bow Island, Alberta, were fans of Ronald Reagan's policies toward El Salvador and Grenada until they came to Nicaragua. "This has opened my eyes," said Thorpe. "I agreed Chester Peterson, of Inland, Alta: 'From what I have seen, Reagan is totally wrong. I don't see that it is Communist down here.'"

Survival remains a preoccupation of the Sandinistas as they wait out the last two years of the Reagan presidency. The staying power of a people whose only history has been one of struggle and hard times has already been proven. Said Nicaraguan foreign minister Carlos Daniel Solís: "People abroad have to understand that this revolution has the support of the people. The beneficiaries so far have been the people who had nothing."

Brink: Sánchez, who was one of those who had nothing and who now runs a well-fledged private co-operative, agrees. She throws her sorrows heaven into the air and lets the wind separate the grain from the chaff. "The revolution won't stop," she said. "If Reagan continues to help the contras, it will still be the revolution won't stop."

—MARK MADONALD with PAUL GOFFMAN in Managua



ORTEGA'S VERSION

In *Nicaragua* earlier this month, Managua's Washington Bureau Chief Marco McDonald interviewed Nicaraguan President Daniel Ortega. In a wide-ranging 30-minute conversation, the Sandinista leader discussed economic issues of concern.

On a possible U.S. invasion: U.S. policy—that is to say, Washington's desire to destroy the revolution by using necessary force—is being defeated. So it is logical that we are closer to the danger of a direct U.S. invasion. Nicaragua is militarily encircled by the United States. The only thing they need is to provoke an incident so they can justify a direct military intervention. I believe the will to destroy Nicaragua exists. And we believe the danger will remain acute as long as President Reagan is in office.

On U.S. funding for the contra: It would be very hard for Congress right now to stop approving the anti-Sandinista contra force, because even if it doesn't the President can veto the decision. But the real problem isn't formal financing. That has been shown clearly by the fact that the President and his advisers have always found a way to finance the contra.

On White House allegations of Nicaraguan "exporting revolution": That has been the pretext of the Reagan administration. The only one who has exported revolution in Central America has been the United States itself. Its policies have created conditions so that revolutionary movements develop in the area. There was a revolutionary struggle in El Salvador long before the triumph of our revolution.

On Ortega as a Communist: The term Communist is used as an insult. The type of regime that we are establishing here is a socialist re-

gime with its own particular characteristics. It is based on a mixed economy, political pluralism and a non-aligned foreign policy. We have private property both in the cities and the countryside. There are many political parties—some of them in the National Assembly, some not. The solution to our economic problem does not lie in the liquidation of private property.

On his ties with the Soviet Union: The first thing President Reagan did when he came into office was to cut off our credits with the United States so they

alternatives among different countries.

On the Roman Catholic church: The church is everywhere. It is in our people, who made the revolution and are now defending it. Of course the church's institutions—that is to say, its hierarchical apparatus—in the past, with which we do have some contradictions, but we are trying to solve them. The problems relate to the unwillingness of some of the church leaders to accept revolutionary changes and to understand that they don't share religious values with the revolution.

On his personal beliefs: I was a practicing Catholic. But it didn't seem to be enough. I think that man is close to God when he is close to the people. If we think of God as something in favor of the betterment of man, both materially and spiritually—and if we set in a way that brings about that betterment, that is if we don't cling to riches, to individualism or egoism, selfishness or greed—then I believe we are getting closer to God.

On liberating his nation: The day that we end is the day the state of emergency ends. If it weren't for the aggression, we wouldn't have this great tension with the church and the newspaper centre. It is because the United States has offered them a military option that has created great expectations.

On Canada's role in Central America: We believe that Canada plays a very constructive role. It is the sum total of the attitudes of countries around the world that has to be taken into account by U.S. leaders. Because Canada is a friend of the United States with very close ties, it is known that Canada wouldn't cause harm to the United States. So if Canada shows that its policy is different from the official U.S. position, it is contributing to the movement for peace that Latin American countries are working for.



Ortega: Hope of rebuilding and concern about a potential U.S. invasion

quest and seeking oil. So immediately the Soviet Union sent wheat to Nicaragua. Then the United States began to blow up our oil tanks. The U.S. started a big fire here in our main port of Cometa. So the Soviet Union immediately sent us fuel and helped to rebuild our storage tanks. The Soviet Union has had an unconditional relationship with Nicaragua. The attitude of the U.S. government has forced Nicaragua to search for

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THE COMFORTS OF 10 LEMP ALLEY

side on a abandoned adobe funeral home on the outskirts of Dault, a half-hour's drive from the New Mexico border, Santa Cristóbal Catalán swept his hand around the single barren room in his house. "Here we live like beggars," he said. In one corner, a baby wrapped in a soiled rag whimpored at an assault of flies on her makeshift bed. Beside her in the field afterwards best chance of snuffing, barefoot children played incessantly. In a nearby rural beyond the building, their mothers stored an iron pot of corn soup, provided by the Red Cross. They are uneducated, displaced persons, who can live as refugees in their own country.

Until recently Cufadas and the 30 other people now jammed into the shelter had been independent coffee growers near the Nicaraguan border. But these farms have become part of a 168-square-mile no man's land of base camps and battlefields created by the contra rebels in their war against Nicaragua's Sandinista government. And as a consequence, Cufadas and his neighbors have become the newest refugees in Washington's proxy war in Central America.

Displaced: The Honduran Coffee Producers' Association suspects that the fighting of the past three years has forced more than 2,000 small growers to flee 96 villages in the province of El Paraiso along the Nicaraguan border. Swelling the ranks of the 280,000 Nicaraguan and Salvadoran refugees already in Honduras, they represent another blow to the country of low affluence—the poorest in the Western Hemisphere after Haiti. The displaced growers were among 50,000 families producing a \$300-million-a-year coffee crop, which provides the second-largest single source of foreign currency—after bananas—for Honduras.

Now, as the new Democrat-controlled US Senate ponders whether to block the deal \$400-million (US\$) instalment of its current \$100-million aid package to the central, a delegation of Honduran coffee growers is on its way to Washington to demand \$25

Threatened: But in a country where power has historically been held by the U.S. Embassy and the Honduran armed forces in that order, it has become dangerous to speak out against the militia, who are the cornerstones of U.S. policy in Central America. Cruz Serna, after taking his nation, re-

solved six telephone death threats. And even the displaced coffee growers have become victims of a smear campaign. Last November the owners took out newspaper advertisements branding them as Communist sympathizers who only wanted to avoid repaying their bank loans. Rencorillo Quarta, one of the displaced farmers, said that he feels threatened. "By spending out for our rights," he said, "our lives are in danger."

Opposition: To many Mexicans the displaced oil workers have become symbols of their country's fate as seen in the streets the Reagan administration is waging against the Russians. "We have no quarrel with the Mexicans," said Silvio Tine Arriola, head of the True Christians Democratic party, who has been the country's most vocal opponent. "But there is a very real possibility that our country will get dragged into a war that is not our war but that of the United States." Said Cruz Tereza: "We see the most in a better scenario on both sides."

U.S. pressure increased last month as the Pentagon launched Big Pine '81, the latest and largest round of military exercises that, since 1985, have turned Honduras into a giant U.S. military proving ground. So frequent are the periodic maneuvers that Hondurans now colloquially call all Americans *Ahaua* Tercer—Big Pine. Between now and mid-May more than 4,000 U.S.



Continue drilling at camp near border: a 'stepped' problem if the rebels do not win the war

troops will land in Honduras, with as many as 3,500 on the ground at one time. At the U.S. headquarters at Palmerola air base, 56 km northwest of the capital, Tegucigalpa, the Americans have built a 3,400-metre airstrip to accommodate big military transport planes, at an estimated cost of \$19 million. And they have constructed or upgraded five other airfields—two of them used for the secret air-drops to the Contras revealed last week.

Intimidation: Rendering the display of American muscle, the 28,000-ton battleship USS Iowa anchored off Honduras's Caribbean coast late last month. U.S. officials reportedly described it as a "visible part and all." But the Soviets unleashed a demonstration of its firepower, with deafening broadsides from its nine 16-inch guns, that the Americans privately admitted was intended to intimidate the Sandinistas. "We're sending messages," said one official. "The message to the Hondurans is that

For the past two years El Tiempo has led the fight against the growing U.S. military presence, which it charges is corrupting Honduran society and turning parts of the country

the corner is a prosperous brick-and-stucco house preening among the shanties, Rostin's estate is a more exclusive enclave, where one could afford \$15 an week-days, double that on Fridays and Saturdays. Inside, in a decor of lace curtains and fringed lampshades, some of Comagnum's prettiest teenagers, decked out in pink pangsuits or navy dresses and pearls, hold hands and neck with crew-cut soldiers on maroon velvet sofas. Then they invite them through the doorway. Swirls of smoke and a whiff of a long corridor lit by a lamp on either side with tiny, delicate arabesques.

The U.S. army runs Conagap's red-light district as a virtual protection, sending uniformed military policemen to patrol at 15-minute intervals—although with orders not to interfere with business—and doctors to test the girls once a week for disease. But since *El Torpedo* charged that U.S. soldiers are responsible for Honduras's 80 known cases of AIDS [acquired immune deficiency syndrome],



Dispersed family from *Proctos* is not found in *Proctos* with the common core



Montezuma's question: "what else is there to do in this place?"

was a violent East Asian strain of a less deadly venereal disease, the U.S. military has become sensitive about its supervisory role in Conterguy's night life.

The U.S. Embassy now provides printed handouts refuting charges that the army has spread AIDS. And as the chiefs of the news desk see it, the army is merely offering a necessary recreational service. Said one of Rossi's clients—a 39-year-old Texan in a 10-year fling who declined to give his name—"I guess you've got to get some affection somewhere." The GI, on his first weekend pass out of the base since arriving on the Big Pine VI mission in early January, added, "Besides, what else is there to do in this hole?"

The government of Honduras is torn, his home assistant about the U.S. presence. The Reagan administration pumps at least \$200 million (U.S.) in economic and military aid into the country annually. That keeps Honduras's flag in necessary adrift while pacifying its generals with the latest in military hardware. In a country where the U.S.-based United Fruit Company used to run the government—winning Honduras its reputation as "the original banana republic"—Washington also spent \$600,000 to finance the 1965 elections that brought President José Antonio del Valle to power.

Resentment. While a growing number of Hondurans oppose the contra rebels' presence in their country, they say that they also fear that, if the contras were expelled, U.S. aid for their country would come to an abrupt halt. Still, some Hondurans already shuffe at the fact that the contra war is costing their country badly needed investment funds. When the United States is giving millions more annually in aid to neighboring El Salvador, Said Fernando Montes, a businessman who is a former head of the Honduran Civil Liberties Institute "This is one of the resentments—that we are doing the Americans' dirty work and receiving less."

Officially, the Honduran government denies the presence of contra military bases on its soil, a widely mocked fiction. For that reason, it has now declared the rebel camps off limits to journalists. But the contra agents a public relations and communications headquarters out of a house-like-shaded luxury villa near Tegucigalpa's airport. There, one of the political chiefs, Adolfo Celero, a for-

mer congressman, had threatened last year to walk out of the uneasy trucehouse with Celero and Alfonso Babelo. He demanded more control over the contra army—created by the CIA in 1981—which Celero vows to personally lead. By January, however, Cruz indicated that he felt he was being subjected to personal harassment as well as being frozen out of the decision-making process after lobbying for improvements to the contra's dismal human rights record.

Defection. American officials say that they fear that Cruz's open defection may have dealt the contra's first serious blow yet, shaking the administration's hopes of winning another \$200 million (U.S.) in funding next year. Said one Washington official: "Some people in Congress voted for aid last time because the contra had this political fig leaf of democracy. Now, with that gone, a lot of them are going to balk at voting for a character like Celero."

For many Hondurans, although they dislike the contra's presence, the possibility that the U.S. Congress might end all funding for the Newgrange rebels is a cause for serious concern. Many say that they fear what the CIA's former director Allen Dulles once termed a "disposal problem"—what to do with 15,000 armed and untrained insurgents abandoned on Honduras soil, who might turn to large-scale banditry to survive. Said Victor Mesa, an analyst for the left-wing Honduran Documentation Center: "It would be a national tragedy."

Some critics point out that even if the contra did succeed militarily in toppling the Sandinista—a prospect that even U.S. officials privately admit is highly unlikely—without direct U.S. military intervention—Honduras would suffer. Said Mesa: "If the contra did install a new government in Managua, then all the American aid would go to Nicaragua. This is a war Honduras could never win."

—MARC HODGKINS in Tegucigalpa



Big Pine parachute drop: sending a message to the Sandinistas

mer Nicaraguan Coto-Cola distributor with a taste for expensive sportswear, spurs talks with foreign journalists, surrounded by a phalanx of armed bodyguards. Celero currently insists that he knows nothing about the resignation last week of Arturo Cruz from the United Nicaraguan Opposition, the political umbrella organization put together by the CIA two years ago to give the contra an image of unity and respectability. Cruz, a former Sandinista commander to Wash-

SABOTAGE AND FAILURE

When the U.S. Congress agreed last July to send \$200 million (U.S.) in military aid to the Nicaraguan contra, any prospects for a negotiated peace in Central America seemed to have faded. Then came the Washington scandal over previous clandestine U.S. aid, which raised serious doubts about future U.S. funding for the rebel con-

gress. "Nobody wants to say the emperor is wearing no clothes."

But while it may not be dead, the Contra's present is certainly ailing. And critics say that Washington has effectively sabotaged the initiative from the start. Officially, the Reagan administration has long professed to back the Contra effort, which is also supported by Canada. But U.S. ad-



Pro-Contraists demonstrate in Managua, support and indications of sabotage

ministers, the foreign ministers of Colombia, Mexico, Panama and Venezuela tried to revive the moribund Contra peace process named for the Panamanian island where the door-to-door initiative was launched in 1983. Last week in Guatemala City, the Contra's countries were the continued support of delegates from the 12 European Community countries. But officials of Costa Rica, Guatemala, Honduras and El Salvador—neighbors of Nicaragua that are heavily influenced by Washington—were decidedly cool to the initiative. "Nobody wants to be the first to say Contra is dead," said one European

diplomat. "Nobody wants to say the emperor is wearing no clothes." But while it may not be dead, the Contra's present is certainly ailing. And critics say that Washington has effectively sabotaged the initiative from the start. Officially, the Reagan administration has long professed to back the Contra effort, which is also supported by Canada. But U.S. ad-

dition, the Reagan administration," said Laurence Hays, director of the Washington-based Council on Hemispheric Affairs. "The administration is seeking a military, not a diplomatic, solution."

There is ample evidence of the U.S. role in crippling the Contra's progress. In 1984 the Sandinistas drafted Washington by signing a strict treaty that would have restricted them to meet many of Washington's demands. It called for expelling Soviet bloc advisers, staging reports of Soviet weapons, ending support for leftist rebels in El Salvador and reducing Nicaragua's army. But the treaty also called for Washington to stop bombing the contra and to withdraw its forces from neighboring Honduras. Unwilling to accept those conditions, Washington pressed its Central American allies to raise objections that effectively scuttled the initiative.

Hopes for a settlement surfaced again in September, 1985, when the Sandinistas agreed that the Americans could maintain their military presence in Honduras. But the Pentagon promptly made available a 50-page internal report which warned that if Nicaragua violated the treaty in any way, the United States would eventually have to send in 100,000 American troops. Both the White House and the State Department disavowed the study, but it still deflated negotiations.

Then last year the administration even undermined its own special envoy for Central America, Philip Hathi. At issue was a letter Hathi had written to a Democratic congressman last April in which he seemed to pledge that if a Contra treaty were signed, Washington would stop contra funding. That prompted the state department to announce an "error" in the letter under the change. Washington would not have to halt contra funding until the treaty's "implementation," rather than its "signature"—a switch that alarmed the growing restively and, observers say, emasculated Hathi's role.

Washington's latest approach has been to put forward a vague Costa Rican peace proposal as an alternative to Contra. The presidents of Costa Rica, El Salvador, Honduras and Guatemala were to meet last weekend in Costa Rica to formally launch the initiative. But a Sandinista spokesman has already dismissed it as "pro-Bananas." And with the other Central American nations signing non-military contracts by the Contra group, the peace process remains at a further—and frustrating—stagnation.

—BOB LUTVIN with MARC HODGKINS in Washington and correspondence reports



Voluntary Winner and Jordine with friends in Nicaraguan crops. "It doesn't seem like the same country."

CANADA'S HELPING HAND

More than \$1 million worth of clothing, tools and medical supplies was packed last week in Vancouver for shipment on the first available freighter to the Pacific port of Costa Rica, Nicaragua. The cargo of private Canadian relief supplies brings to \$6.5 million the value of gifts to the beleaguered Central American country since 1980 from Tools for Peace, a Vancouver-based aid organization with committees in 128 Canadian communities. To the thousands of volunteers who collected and packed the donated goods—from new and battered to medical syringes and sanitary napkins—the supplies are part of an economic lifeline to a country beset by war and poverty. Many people also regard the aid as a gesture of political support for a small nation under hostile pressure from the United States. Said John Foster of Toronto, a United Church of Canada member of the Inter Church Committee on Human Rights in Latin America: "The shipment symbolizes Canadian desire for the survival of the new Nicaragua."

Official Canadian aid to Nicaragua has fluctuated over recent years, but is almost three times as high this year as it was five years ago. But there is growing pressure for a more assertive pro-Nicaraguan policy from private groups and individuals—including some politicians. Ontario Attorney General Ian Scott, for one, will join eight other members of the provincial legislature on a 30-day visit to Nicaragua in March. Although the Liberal, Conservative and New Democratic Party members will travel as private citizens, Richard Johnston, the trip's NDP organizer, said that they will promote increased development and trade. Scott, citing the U.S.-backed contra war against the Sandinistas, said he found the U.S. role to be "frankly, alarming." Added Scott: "I think Canadians and Americans and others who feel like I do should make their feelings known."

Despite Canada's close ties with the United States, successive Liberal and Conservative governments have criticized Reagan administration policy on

Nicaragua and given diplomatic support to peace efforts led locally by Colombia, Mexico, Panama and Venezuela in the so-called Contadora process. But many Canadians believe that Ottawa should provide more aid to Nicaragua and play a more energetic role in support of peace talks. Said Tools for Peace adviser Foster: "Canada is in the centre of a historical road because American policy has veered off into the right ditch."

Criticism: Some Canadian, however, oppose any official Canadian aid to the Sandinista regime. Among them is the conservative Toronto-based Citizens for Freedom and Reform Inc. (CFR), who say that Ottawa should not support governments that are radically opposed to Canadian values. Said CFR member Paul Proctor, a high school teacher in Mississauga, Ont.: "We would agree with Elliott Abrams, the U.S. assistant secretary of state, that Canadian aid is shoring up a Marxist regime in Nicaragua." For his part, Abrams told *Maclean's*: "We are critical of democracies that

have taken a somewhat neutral position as between the oppressors and the oppressed, and we urge people to put as much pressure as possible on Nicaragua." Regarding Canada's criticism of U.S. policy, Abrams said, "We tend to think that we know more about Central America than they do."

Still, Ottawa's special parliamentary committee on Canada's international relations reported that it received "more submissions on Central America than any other issue" during a 1983 study of foreign aid and other policies. Fully 208 of the 275 political, church and private aid organizations that submitted briefs to the committee called for more active support for Nicaragua.

Many Canadian volunteers in Nicaragua take a similar position. Foremost John Mitchell, 42, and his brother-in-law Elaine Bowersock, 30, both from Vancouver, B.C., paid their own way last month to spend five weeks working at

Ortiz mobile workshop that travels around northern Nicaragua repairing farm machinery. "These people will go to their deaths to keep what they've got," said Mitchell. A group of 15 other Canadian farmers who went to teach Nicaraguans presently how to repair farm machinery included Dick Werner of Glenora, Sask., and Margaret Jardine, of Saskatoon. Said Werner, referring to U.S. charges that Nicaragua is a Marxist police state: "It doesn't seem like [that]. If we Canadians were fighting a war like this at home, we wouldn't have much in the way of freedoms either."

Some Canadian voluntary organizations also say that Ottawa should set up an embassy in Managua instead of conducting relations with Nicaragua through its ambassador to neighbor Costa Rica, who also covers Panama and El Salvador. As well, these organizations want Ottawa to appoint a permanent observer to attend all Contadora meetings. Still, even critics who press for a stronger Canadian role concede that Ottawa has maintained its independence of U.S. policy in declining to view the Sandinistas as a Communist threat to the Western Hemisphere. And although Ottawa does not support Soviet aid and human rights violations by the Sandinista government, and has evicted Soviet arms supplies to Nicaragua, it has also opposed U.S. intervention in a speech

last September to the Inter American Press Association in Vancouver. Prime Minister Brian Mulroney spoke out against third-party intervention "whatever the third party may be and regardless of its legitimate interests in the area." Mulroney added: "We do not approve of any country supplying arms to any faction in the area." At the United Nations last November, Canada broke with its Western allies to support a motion condemning U.S. intervention.

Earlier, when Washington imposed a trade embargo against Nicaragua in May, 1983, Canada provided a new lease in Toronto to Nicaragua's 36-man-based trade office. Since then, in the face of U.S. pressure to curtail loans and grants to Nicaragua by such institutions as the International Monetary Fund, Canada's aid has increased to a peak of almost \$18 million two years ago from less than \$1 million in 1982. Total aid exceeded \$1 million in the fiscal year ending March 31.

Canada's policy is based on a fundamental disagreement with the United States over the root causes of Central America's problems. While Washington accuses the Soviet Union and Cuba of fomenting revolutions, Ottawa takes the position that social and economic

In 1983, the year that Nicaragua's Debsite Trading Corp. moved to Toronto, the value of long-term trade between Nicaragua and Canada fell to \$44 million from \$67.8 million the previous year. Much of the decline was due to Nicaragua's lack of foreign currency and credit. Nearly bankrupt, and \$40 million in debt to Canadian banks, Nicaragua is rated "off cover" by the Canadian Export Development Bank, which means the bank will not issue loans to fund Nicaraguan purchases from Canada.

Trade: Still, trade did increase in 1983. Debsite's first full year of operations in Canada drew them, more than 500 Canadian companies have discovered new markets in Nicaragua. Last year trade between Canada and Nicaragua rose to \$36 million. Canada imported mostly beef, seafood and molasses worth \$24 million while selling Nicaragua \$20 million worth of construction equipment, wheat, grain products and tobacco. Debsite president Jorge Chabarro, citing a need for Canadian trade credits, said, "I would like more help from the Canadian government." Nicaragua's ambassador in Canada, Sergio Lopez, says he is encouraged by the growing private Canadian trade



Alberta Bowersock and Mitchell (right) helping out: pouring their own way.

factors are at the heart of the region's current ills. Says External Affairs director general John Graham: "It is not because we find it therapeutic for reasons of shallow nationalism to make anti-American noises."

Still, Nicaraguan officials say that Ottawa could do more, both diplomatically and in helping to generate trade

and aid. The latest Tools for Peace shipment, he said, is "a symbol of the way in which ordinary Canadians can relate to a country which is standing up to the enormous power of the United States."

—JULIAN MACPHEE in Ottawa with JACQUE ALLENHEAD in Toronto

The high costs of scandal

Until last week Robert McFarlane—a key player in the Iran-contra scandal—maintained a cool facade as the eye of an ever-expanding political storm. But on Tuesday he broke his silence in a long yet another investigation panel, the former national security adviser revealed his intense inner anguish in a dramatic way. At 8 a.m. on Feb. 9 a nervous agent arrived at McFarlane's suburban Washington home and found the former White House aide heavily loaded. Jovita McFarlane, slumped what was apparently a garbled suicide note, said that her husband had swallowed about 20 Valium pills, a suicidal overdose. And one of his friends "There has been a strain for a long time. I guess it finally got to the poor bastard."

While McFarlane regained his health at Bethesda Naval Hospital, President Ronald Reagan's political fortunes showed signs of turning. Indeed, there were revelations that only strong protests from Secretary of State George Shultz prevented Shultz's director William Casey from misleading Congress about the affair last November. As well, Lt.-Col. Oliver North, the former National Security Council official at the center of the controversy, had set up a system to break laws limiting U.S. military aid to contra rebels fighting the Nicaraguan government.

McFarlane had been under intense pressure for several months. So far he is the only person to testify before congressional committees that Reagan gave advance approval to the Iranian arms deal—a direct contradiction of statements by White House Chief of Staff Donald Regan, and the President himself. But friends who visited McFarlane in hospital said that the suicide attempt resulted from various pressures and disappointments. One administration official said that McFarlane was unhappy with his low-key position at Georgetown University's Center for Strategic and International Studies—a job he took after leaving the White House in December, 1985.

McFarlane apparently viewed the Iran arms deal—as he recalled the controversial arms sales to Lebanon armed with a cable and a declassified Bible—as a way to regain influence that the mission's spectacular failure combined with a painful back ailment may have proved too much. Said a friend, "He felt driven and overwhelmed by all this pressure and his own feeling of responsibility for letting the Iranian sale go forward."

The Iran-contra scandal has also strained personal political alliances. According to *The Washington Post*, shortly after the Iran deal became public in November, a rift developed between Shultz and Reagan. At one point, Reagan sent Shultz a short message:



Investigators Tower, Brent Scowcroft and Edmund Muskie give evidence

through Vice-President George Bush. "Support me or get out of the team." The incident, apparently developed after Shultz learned that then-CIA chief Casey—who recently resigned following bitter inner surgery—was not going to tell the truth in his testimony to the Senate Intelligence Committee. The CIA and the National Security Council apparently had decided that Casey should testify before the committee that government officials had believed that the first airlift of arms to Iran on a CIA-controlled shuttle was only a shipment of air drifting equipment. On Nov. 20 Shultz confronted Reagan, and the plan to dismantle was dropped. A similar protest by the state department to the justice department over Casey's planned testimony launched an investigation by Attorney General Ed Meese, which revealed that profits from the arms deal may have gone to the contra.

McFarlane as security adviser only to resign the post in November. Until those two men break their silence, the Iran scandal will remain clouded in mystery.

Meanwhile, the special White House commission attempting to arrange the affair announced last week a second postponement of its report. A brief joint statement from the panel—headed by McFarlane's supporter and former Republican Senator John Tower—said that a "recent acquisition of new material" required the delay. ABC News reported that the new evidence indicated that North, while working for the National Security Council, broke U.S. law



in 1980 and 1986 by helping to raise \$20 million for the contras through private groups. Most of that money was apparently used to buy small arms—a direct violation of laws that restricted and from Washington to Nicaragua for humanitarian purposes only.

Despite the promise of new evidence, other developments last week showed hopes that the "lower commission would present the full story of the Iran affair when it releases its report on Feb. 26. Citing a constitutional ban on self-incrimination, Reagan turned down Tower's request to order testimony from North and Vice Admiral John Poindexter, who followed McFarlane as security adviser only to resign the post in November. Until those two men break their silence, the Iran scandal will remain clouded in mystery.

—IAN MURFIN in Washington



At a 10th anniversary celebration, Soviet officials following Gorbachev's promise of change

THE SOVIET UNION

Moscow's mixed signals

Rarely have the conflicting signals in Soviet society been more apparent. At a press briefing in Moscow last week, foreign ministry spokesman Gennadi Gerasimov announced that the Soviets were pardoning 140 prisoners convicted of subversive activities and were reviewing about 140 more cases. The action was part of Soviet leader Mikhail Gorbachev's year-old campaign of liberalization known as glasnost (openness) that only promises who signed statements undertaking to "expunge" "anti-Soviet activities" were granted their freedom. And when about 30 relatives and supporters of imprisoned Jewish activist Boris Bogachev, who had refused to sign, staged protests in central Moscow, dozens of berets were walked into the crowd, pushing demonstrators and Russian reporters. At least 10 men ended up on the ground. And several situations spat out the word "Zem" as if it were an epithet—and said that they registered that Bitter had not completed his international campaign.

Gerasimov said that the students were "villagers." But independent observers said that the so-called effort by pliant communists—who later boarded a police bus—looked suspiciously like the work of the KGB. If that was the case, experts said, the agents may not have been acting with official political approval but in accordance to Gorbachev's reforms. The glasnost program is apparently designed to silence Western criticism of the Soviet human rights record and encourage a measure of individual initiative to help revitalize the stagnant Soviet economy. But U.S. Ambassador Arthur Hartman said last week that "there are a lot of people here who don't like" the program. And the violent breaking of the demonstrators may have indicated that Soviet leaders would not accept too much change too fast.

On the controversial incident, Gorbachev took his boldest initiative last December, when he released physicist Andrei Sakharov, the country's most famous dissident, from internal exile in the city of Gorky. But that left many political prisoners—estimated at a few hundred to 3,000—confined to labor camps and jails. Rumors of a group release had been circulating for weeks, until the Kremlin made it official on Feb. 16. Gerasimov said that, in keeping with "our policy of more democratization of Soviet life," the President of the Supreme Soviet had granted the pardons under decree

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On Friday, authorities finally persuaded the protesters to call off the demonstrators, but not before Western TV crews had recorded the arrest of pliant communists beating up the protesters. Said John Breyer, who has been trying to leave the Soviet Union for 15 years: "It is an outrage that this happens right now, when demonstrators have been declared to be taking place." The message was unmistakable, despite the police's hasty steps toward order. Western-style human rights were still far off.

—BOB LEVIN and CATHERINE KENNEDY in Moscow

dated Feb. 2 and Feb. 9. They created the largest release of Soviet prisoners since the massive 400,000 release following Josef Stalin's death in 1953. And even a White House spokesman acknowledged that the pardons were "an important step."

Gerasimov also said that the releases were part of a continuing reform of criminal law designed to leave "fewer people behind bars and behind barbed wire." At issue is Article 59 of the Criminal Code, a catch-all provision against "anti-Soviet agitation and propaganda," which carries a maximum 10-year sentence. Many were at hard labor followed by five of internal exile.

But Gerasimov emphasized that government officials were not debating the legitimacy of the punishment. And one Western diplomat in Moscow said that he did not expect "a relaxation of control," but an effort to make the control "more palatable in the West." In fact, while a report of the pardons appeared in a Soviet Russian-language publication only at week's end, it was disseminated immediately by the official state news agency's English service.

Soviet efforts at image-building were set back by the brutal breaking of the Moscow protests. The demonstrators were seeking leniency for Jews and the release of Bogachev, who had received a 13-year sentence in 1983 for distributing anti-Soviet literature. These was little interference at first. But as the protest continued—and a well-publicized Moscow conference on arms control on the weekend approached—the harassment increased dramatically.

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Actress **Julie Ireland** says that her husband, movie mogul **Joe Charles Brown**, probably will avoid reading her recently published book, *Life With*, in it, Ireland, 50, who underwent a radical mastectomy almost three years ago, writes frankly about her battle with breast cancer. Of her husband of 18 years, she says, "I don't think he'll read the book, because he doesn't want to go through it again." Meanwhile, Ireland has returned to acting and contacts with Brown, 65, in *Assassination*, released last month and her first film in four years. Says Ireland, "I don't know if you can beat cancer, but hopefully you can outlive it."

Yet another actor has come to Canadian director **Dennis Arcand**, 45, whose movie *Derby* at the American Express recently garnered 15 Oscar Award nominations and opened to accolades in France. *Derby* is now in the Oscar race as Canada's first-ever best foreign-language film nominee. Another Canadian who last week received word of an Oscar nomination is Toronto film-maker **Brighton Barnes**, nominated for best feature documentary for *Arctic Show: True Is All You've Got*, a film about the 55-year-old American husband/leader. At first Barnes, 35, did not believe the news. "When the call came, I kept saying this is a joke—please don't joke."

To make a documentary about life and **Mike Smith**, *Shane* twin from *Burns* separated at Toronto's Hospital for Sick Children three years ago, film producer **Yusef Pothugay** accompanied his Toronto home, **Brenda Polysky**, 35. "We started filming in the summer of 1986 and didn't know when it would end. Everything depended on the recovery of the twins."

It took 14 months to hospital for the twins to recover from surgery, and Polysky's hour-long documentary about their ordeal, *World Apart*, airs on CTV on Feb. 22. During their hospital stay he visited the twins, a boy and a girl now 5, many times. Still, the most memorable visit was the first one, he says. "They were lying in the intensive care unit after 17 hours of surgery. They had undergone so much—you could hear their heavy wheezing and feel their pain."

Not even a Maritime blizzard could keep three notable graduates



Ireland writing frankly about a breast cancer battle.

away from homecoming at Halifax's Dalhousie University last week. Prince Edward Island Premier **Joe Ghis**, Nova Scotia Premier **Richard Hatfield** and Nova Scotia Premier **John Buchanan** all flew in from Toronto after a closed-door meeting with his other premiers about Newfoundland's oil war with Ottawa and France. The three men, who debated political issues before a student audience, agreed on at least one topic—that they all fondly recalled their years at Dalhousie.

Hatfield, who finished Dalhousie's law school in 1959, told students that they face tougher demands today. "If I was putting forth the same effort today that I did then, I wouldn't get through my first year of law school."

American broadcaster and sex therapist **Dr. Ruth Westheimer** sounds as enthusiastic as a child with a new toy when she talks about her first movie role. The film is the French-produced

One Woman or Two, in which Dr. Ruth, 58, plays an American psychoanalyst who becomes involved in an archaeological drama. Dr. Ruth, like **Suzanne Weaver**—who has the lead role—speaks most of her dialogue in French. Declared the sex expert, who learned French at the Sorbonne in Paris in the 1960s. "I've seen the movie at least 10 times and over and over and over again. I don't say I'm great, but personally I loved it."

Canadian novelist **Robertson Davies** has generated international acclaim during his career, and later this month he will receive one of his most illustrious awards. On Feb. 24 in New York City the American National Arts Club will present Davies, 73, with its Gold Medal for Literature.

The first Canadian to receive the prize, he will join such previous medal recipients as **Norman Mailer**, **John Updike** and one of Davies' own favorite writers, **Isaac Bashevis Singer**. Said the novelist: "I'm pleased to get the medal. I think it's a recognition of Canadian writing, which is treated kindly in the United States."

—Edited by TYRONNE COOK



Davies' honor in being first



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NEW FACES OF THE CANADIAN ESTABLISHMENT

SONIA AND GORDON
JONES
AND THEIR CHILDREN,
FOUNDERS,
PENINSULA FARM YOGOURT,
AT THE
HOLIDAY INN
HALIFAX-DARTMOUTH



SONIA JONES HAS A Ph.D. in romance languages from Harvard. Her husband Gordon is a former computer consultant. Two city people who, in 1972, left New York for a farm and a cow named Daisy in Nova Scotia. When Daisy began producing more milk than they could use, Sonia began making yogurt for a local shop. So fresh and natural were her ingredients that customers joyfully indulged. Within five years she and Gordon had cornered the local yogurt market. In 1977 they landed a contract with a grocery store chain. By 1979 Peninsula Farm was earning \$50,000. Sales doubled in 1980, then doubled again in 1981. By 1984 Sonia and her family owned not only a million dollar business but also a substantial share of the Maritime yogurt market.

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Slippery roads for GM

Astorwerk Richard Salter and Edward Savary were spending an 18 hr afternoon in Jim's Garage, a window-fitted room near the huge General Motors Corp. plant in Flint, Mich. At the same time in nearby Detroit, GM chairman Roger B. Smith was releasing the company's 1986 ve-

1986 the firm launched a \$54-Million plant-improvement program that was designed to ensure that GM would remain its share of the North American car and light-truck market. But since then its position has steadily eroded. Both increases in foreign-car sales and the resurgence of Ford Motor Co. and Chrysler Corp. have cut into its lead. And some analysts claim that

35 per cent of something does not change." Still, other analysts are not so pessimistic. Arvid Joppa, president of Arvid Joppa Associates Inc., a Detroit research firm, says sales will be off slightly but the industry as a whole could grow by 1983.

Meanwhile, GM continues to produce many of North America's top-selling cars. Indeed, it turns out five of the 19 top-selling cars in North America, including the continent's biggest seller, the Chevrolet Celebrity. As well, the company employs about 700,000 people in its auto parts and assembly plants worldwide, including 230,000 in the United States and another 95,000 in Canada.

But even with these successes, GM's market position has deteriorated dramatically. It held almost 48 per cent of the U.S. market in 1970, but its share had dropped to 41.6 per cent in 1985. Its decline in Canada has been even more dramatic, falling to 38 per cent last year from more than 45 per cent in 1980. The company's largest domestic rival in both countries is Ford, with just under 20 per cent of the market, followed by Chrysler at close to 11 per cent. Foreign exporters, led by Hyundai and Honda in Canada and Toyota and Nissan in the United States, have held close to 20 per cent of the North American market since 1980, but they have not been able to increase their share.

Many industry observers say that in such a congested market GM has very little chance of recovering its lost share of North American car sales. Indeed, GM of Canada president George Poggies predicted that there will be 18 million vehicles aimed at North America by 1990, but with only 12 million potential buyers for them. (Currently the industry has a 25-million-vehicle capacity for a market of 10 million consumers.) And despite a bankrupt North American economy, car sales will remain sluggish for demographic reasons. The so-called baby boom market has been saturated, severely limiting the number of potential new consumers.

But the automakers are still increasing their overall capacity to produce cars. GM's problems in the 1980s will also be reflected across the auto

industry as a whole. Retail analysts say that North American consumers are spending more of their disposable income on services, and on expensive toys such as video cassette recorders and personal computers. Longrange, Mass.-based analyst Data Resources said that sales in the sporting goods sector would climb to 3.4 per cent annually, compared with annual growth of 2.5 per cent in the auto sector, which is down from a growth rate of five per cent in the years between 1979 and 1985.

manufacturer to offer a 30-year or 100,000-km warranty. Ford, Chrysler and American Motors Corp. were quick to follow the move with six-year, seven-year and six-year warranties respectively.

But GM executives, adopting the latest fashion in business thinking, appear to be convinced that production cost reductions may be the best way to increase conventional profits over the next decade. Indeed, in a letter to shareholders last week Smith said that he expects to cut costs by \$13.4

Free Press reported last month that GM will close another 20 plants over the next two to three years.

Canadian workers could be hit hard as the world's largest auto firm cuts back. "Equity-wise you deserve a closing," said Loria. "The United States has absorbed all the assembly closings so far." One of the most likely targets might be GM's car assembly plant at Ste-Thérèse, Que., located 30 km north of Montreal. The plant, employing 3,700 workers, has suffered from labor disputes and high produc-



Perot (left) and Smith: Foreign imports and a saturated baby-boom market

sales, an record sales of \$137 billion, profits dropped 86.4 per cent to \$3.96 billion. General Motors of Canada Ltd.'s profit results were worse, falling 44 per cent to \$48 million. But Salter and Savary were preoccupied with more immediate problems. Their plant, a decades-old facility that produces Buick, Oldsmobile and Cadillac bodies, is one of 12 plants and operations that GM will close in the United States over the next three years. The cost cutting could leave 80,000 workers unemployed, and this week the first group of 1,500 workers was to be laid off. "I've got just eight years before retirement," said Savary. "The closing has forced me to re-evaluate my life."

The situation is also disquieting for the world's largest automaker. In

GM has hurt its performance over the past decade by not reducing production costs and by not altering new car designs enough to accommodate shifting consumer preferences.

The future could be even tougher. Some analysts predict that car and light-truck sales in both Canada and the United States will remain virtually stalled at 1985 levels until at least 1990. They add that foreign automakers will attempt to increase their North American sales by producing 1.8 million vehicles annually in mostly new plants across the continent. That would aggravate GM's already severe overcapacity problem. Rod Daniel Luma, a senior researcher at the Industrial Technology Institute in Ann Arbor, Mich., "GM faces still further losses. It could shrink by



Robotic assembly in Michigan plant: countering falling profits, plant closures and as many as 20,000 lost jobs

Now, in their attempts to lure back customers, the North American carmakers have begun to promote the reliability of their products. John McNeil, a Data Resources auto analyst, said that, particularly in the intermediate price range, which accounts for a quarter of the market, car buyers are paying dependability ahead of prestige. "GM needs to make cars as good as a guy will drive around in a mid-sized Chevy and think it's as good as a Honda Accord," said McNeil, "and right now they just don't think it is." But last month GM became the first North American

William a year by 1990. GM already has excess manufacturing capacity, said Wendy Beale, a New York-based analyst with Smith Barney, Harris Upham and Co. Inc. In fact, the company had enough capacity in September, 1986, to serve 60 per cent of the North American market, but it captured roughly 41 per cent last year.

The 11 closures announced in November were the first attempt to bring plant capacity into line with production, and GM spokesman John Mueller, he added that more shutdowns are likely. And the Detroit

lien costs for years.

Industry observers say that GM will have to reduce its cost of production at least to the level of Ford and Chrysler to remain competitive. Harold Glantz, an automotive analyst and partner with Montgomery Securities of San Francisco, said that GM produces 70 per cent of the parts and components in all of the company's vehicles, but high labor costs now offset the savings GM once achieved through internal parts production. By comparison, Ford produces 50 per cent of its parts and components internally while Chrysler produces 30

per cent of its components. As a result, Ford and Chrysler are able to produce cars more cheaply by purchasing a larger share of their parts from low-cost, specialized parts manufacturers.

GM's high production costs are also partly a result of overstaffing, according to some analysts. Researcher Harris contends that the firm uses 30 workers per management and assembly-line workers than is usual to do produce an automobile. Other experts, such as Daniel Andrieu, a University of Michigan auto industry researcher, said that GM could save as much as 10 percent when it controlled close to 50 per cent of the North American market. But he added that overstaffing is now a serious problem on the firm's profit.

GM's profits have also suffered from a relative unpopularity of some of its new models, particularly at the top end of the car market. GM used a common body in 1986 for its Cadillac Seville and Eldorado models, as well as the company's mid-range Buick Riviera and Oldsmobile Toronado. Sales in those lines fell from \$1,000 in the first 12 months of 1985 to \$7,000 in the same period for 1986. Said Walter Luecke, president of the Automotive Parts Manufacturers' Association of Canada: "People don't like to spend \$34,000 for a car that looks like other cars."

GM recently severed its ties with Texas businessman H. Ross Perot—who some analysts claim could have revitalized the huge company. In 1984 GM purchased Perot's Dallas-based Electronic Data Systems Corp., a computer services company, for \$3.35 billion. The purchase was made to acquire the technological edge that GM management wanted to give them an advantage over the upstart Perot. GM was given a seat on the board of directors and then began meeting GM dealers, factory workers, executives and (sometimes) analysts across the United States to find out what was wrong with the company. Perot's goal was to cut into the sales of Asian

manufacturers by making its more customer-sensitive. But eventually GM bought back all Perot's 13.3 million shares, and he had to leave the board.

GM chairman Smith says that the corporation will continue to develop advanced manufacturing techniques. One of its most innovative projects is a \$1-billion overhaul of its Oshawa, Ont., engines. And next fall GM will demonstrate its resolve to cut costs over the long term when it opens one of the most advanced assembly plants in the world. Located in Saginaw, Mich., 140 km north of Detroit, the \$90.4-million plant will have no en-



Worksite at Oshawa plant: high production costs

pieces directly assembling cars, and computer-operated robots on the factory floor. The 20 attendants will supervise the operation without being directly involved in the planned production of front-wheel-drive sedans. Corporate spokesmen say that GM has launched its technological revolution to control costs, improve quality and keep the company competitive with foreign and domestic rivals. But if North American auto sales stagnate and manufacturing capacity continues to grow, cost industry observers contend that GM will have to fight hard just to retain its market share.

—DYLAN JENSEN with ANNE WALSHLEY in Detroit

A buyer for Teleglobe

William McKenzie, president and chief executive officer of Montreal City Inc., was all smiles. He had just signed a letter of intent to buy Teleglobe Canada, the Toronto Crown-owned monopoly that owns and operates Canada's overland telephone grid and network of communications satellites for \$480 million. The purchase last week immediately raised the toy and virtually unknown Montreal manufacturer of high-tech communications equipment to the front ranks of the fast-growing international telecommunications sector.

But Montreal's coup was tainted. Just hours before Barbara McGonigal, the Conservative government's secretary of state for privatization, announced the deal, the Toronto Stock Exchange revealed that it was investigating irregularities in the trading of Montreal shares. On Feb. 5 the company's stock jumped \$2.37 on the rise to \$13 a share on a volume of 3,725 shares. That was the same day that McGonigal's advisers in the Canada Development Investment Corp. (CDIC) drafted a letter privately recommending that Ottawa support Montreal's offer. By Feb. 13 the Ontario Securities Commission and the federal department of consumer and corporate affairs were also investigating the possibility that some traders resold advance notice of the Teleglobe purchase from sources in the CDIC or the government.

Still, the sale itself was a significant step in the cash-strapped federal government's plan to raise money by selling off Crown corporations. But Sheila Pinestone, the Liberal's communications critic, questioned the wisdom of selling Teleglobe, which has been profitable since its founding in 1969. "For a company that is lowering the federal deficit," the government picked up \$696 million in the deal—\$308 million in cash that the telecommunications company had accumulated, as well as \$488.3 million from the sale and an estimated \$69 million in future financing cash. The deal also promised credit for entrepreneurs in the form of an average 15.5 per cent decrease in the cost of long distance calls beginning Jan. 1, 1988. Meanwhile, McKenzie said Montreal will not wait for a securities investigation clearance before closing the deal.



Becky in better days: three more attacks at a shopping investigation

Roundup on Wall Street

The arrests had been widely anticipated, but the brazen style in which they were carried out unsettled New York's financial community. Last week U.S. federal marshals raided the executive offices of two prominent New York investment banking houses: Goldman, Sachs & Co. and Kidder, Peabody & Co. Inc. They froze two executives, Kidder's head of arbitrage, Richard Wigton, 52, and his counterpart at Goldman, Robert Freeman, 44, and led them away. Later that day another Wall Street heavyweight, Timothy White, 53, until recently head of arbitrage at Merrill Lynch & Co., joined the two prisoners in federal court. He had been arrested the day before at his apartment and held overnight in jail. Then, together they were charged with conspiracy as alleged participants in an insider-trading scheme involving corporate insider T. Boone Pickens's unsuccessful bid to take over Los Angeles-based energy company Unocal Corp. in 1985.

The three were swept up in an investigation of illegal profit-making that the Securities and Exchange Commission (SEC) which oversees U.S. market activities, launched last May. The first major breakthrough came on Nov. 14 when Ivan Boesky, one of Wall Street's top arbitrage brokers—dealers

in high-risk, potentially high-profit securities—was fined \$125 million. He was involved in several insider-trading deals, in which participants illegally used knowledge of pending stock transactions to earn profits. To escape a heavy stiff-penalty jail sentence, Boesky was understood to have supplied the names of other people involved in illegal stock trading. Boesky's name did not surface during last week's court hearing, but people close to the case claimed that he had implicated another major investor involved in the Unocal takeover fight. That person, in turn, according to officials familiar with the case, named Freeman, Wigton and White.

During the court appearance, the prosecutor referred to one source of evidence simply as CH—as an abbreviation for a confidential source. But people close to the case said that CH was Martin Singer, currently the co-head of mergers and acquisitions at the New York investment banking firm Donaldson Lambert Inc. Last Friday Singer pleaded guilty to conspiracy and two counts of charges relating to dealings and to have conspired while he was a corporate insider working at Kidder during the time of the Unocal/Pickens takeover battle.

Colleagues of Wigton and Freeman expressed surprise at their Feb. 12 ar-

rests. One close associate of Wigton said, "He was not like a lot of the other arbitrage we work with—he wasn't motivated by greed." Freeman seemed equally conservative. A graduate of the Columbia University Graduate School of Business, he lives with his wife and three children in suburban Rye, N.Y. When, for his part, is reportedly one of Wall Street's brightest young executives. A former Rhodes scholar, he has an enthusiasm for working long hours—and enjoying the rewards. And his sister "Tila is a gregarious, happy as a very high scale."

Federal authorities claim in their cases against the three that Kidder and Goldman, and some of their employees, traded information on pending takeovers. In addition, they allege that the seized allegedly traded shares in those companies. According to government officials, while Goldman, Sachs was advising Unocal in its battle with Pickens, Freeman declined key insider information about Unocal plans to raise. He is, in turn, they allege, passed the information along to Wigton and White, who then conspired on an elaborate stock-buying plan in Unocal shares.

Wall Street brokers suspect that more arrests will arise out of the investigation. Some said the case for inquiry may be leading to new, tighter regulatory control of the investment community. Said Daniel J. Good, head of merchant banking at Shearson Lehman Brothers Inc.: "Every time that drops I'm sure in mind in Washington." And others, such as James Scott, a Columbia University professor who recently led Goldman, said that the charges will also increase contrast between corporations and their bankers.

Still, Scott said that arresting executives in their own offices could prove to be an effective deterrent. "A lot of people have internal pressures but do not have the moral fibre to do what is right," he added. "I can't understand it. These people are rich. They don't have to do this." But just how many did do it remains for the SEC investigators to determine.

—TOM PINNELL with DAVID LIDSKOFF in New York

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Americanization of a high-flyer

By Peter C. Newman

Recently, the Boeing Co. of Seattle completed the process of taking over de Havilland Aircraft of Canada, one of this country's most important aircraft manufacturers. As is so often the case with American buy-outs, the company is well on its way to a highly profitable position—for the first time in 20 years. The deal is a significant victory for the Boeing Co., but the Canadian component in decision-making has all but disappeared.

At the end of January, 1986, the Canadian board of directors was dissolved. Only two Canadians, the 72-year-old Ron Bell, who runs the *Windsor Paper Co.*, and Dan Polakovsky, a former Bell-Borel associate who is now a Vancouver consultant, remain in place at Boeing of Canada, of which de Havilland is now a division. The company has been so thoroughly Americanized that not even its bank borrowing is done in this country.

Boeing purchased de Havilland from the Canadian government in January, 1986, for a down payment of \$90 million, after Ottawa had put as much as \$600 million, by some estimation, into the company. The Canadian plane maker had not making a profit, but its plant at Downsview, north of Toronto, has sales been better and employment has increased to 5,300 from 4,600 a year ago.

Taking over as de Havilland's president as of last month is Ronald S. Woodward, 48, a 38-year Boeing veteran who most recently was in charge of material at the company's commercial divisions in Seattle. An Oregon-born chemist, he has previously acted as Boeing's troubleshooter in the Middle East, as well as in Central and South America.

But the main reason in charge of de Havilland is Richard Albrecht, an aristocratic-looking former Seattle lawyer who is executive vice-president of Boeing's commercial division and Boeing of Canada's chairman.

As a result of deregulation, there is going to be a growing alliance, either in joint marketing or as equal ownership, between traditional Boeing and de Havilland customers," he recently told me. "When the Canadian government approached us with the prospect of bidding on the company, we quickly recognized that the DeHav was a good product and that it had some real capability of expansion within the Boeing family of airplanes."

As one result of the Boeing acquisition, sales of the new Dash-8 300 model have taken off dramatically, business airlines that had previously held back from making commitments to a government-owned company with deep red balance sheets now feel that de Havilland's future is secure. Beyond the 35 Dash-8s already sold when Boeing took over the company, the company has firm orders for at least another 80. At roughly \$5.5 million per



Albrecht: profits for de Havilland

plane, this is a positive prospect, especially since de Havilland eventually expects to grow to at least a third of the free world's total commuter-plane market, estimated at 20,000 new planes by the end of the century.

Under Boeing's guidance, de Havilland recently began producing a stretch (up to 40-passenger) version of the Dash-8, and negotiations have started with Sir Philip Rowan, the head of Short Brothers PLC of Belfast, to produce jointly a smaller 29-seat

turbo-prop commuter aircraft. Another possibility involves the transfer of orders for components from Seattle to Downsview.

"The Canadian operation," says Albrecht, "was run about as one would expect from a company that has been owned by the government for the past 11 years. They did not spend money when they should have on some critical equipment and to have the same equipment for productivity and profit a private company has."

Another Boeing executive, Brent Peas, who also acts as president of Boeing of Canada, claims there are as many decisions being made at Downsview as there ever were—because previously they were dictated by Ottawa. "The big difference," he says, "is that we're more willing to make capital expenditure commitments, providing they make commercial sense, as evidenced by the \$90 million we've already put in since we acquired de Havilland. Because Boeing owns de Havilland, it's going to reserve to itself decisions as major commitments of resources. That's a natural phenomenon for any owner."

Boeing itself seems to be in a transitional phase. Last year the company's sales set a new record of \$23.9 billion and profits (at \$881 million) were up 17.5 per cent. (Boeing is a major U.S. defence supplier, with 46 per cent of its profits and 50 per cent of its sales coming from the Pentagon and other military agencies.)

To meet the requirements of smaller aircraft, Boeing is planning to produce the 737 by 1992, a two-sect 190-sect unit that is said to be highly fuel-efficient. The company needs new products fast to compete with Sorel's Airbus Industrie. The A320 jetliner being made by that company, owned by the British, French, Spanish and West German governments, has already set Boeing about 300 aircraft sales.

The total subsidy invested in the Airbus operation by the four sponsoring governments is anywhere from \$4 billion to \$12 billion," Albrecht points out. "Financing is made available to them to build planes for which they don't have orders, which are then dumped on the world market at discount prices. The other thing is that there is no industry as the part of government leaders in these countries to use political influence to change the competitive. We find them very aggressive competitors."



Religious defiance of Roman Catholic doctrine and a challenge to Catholicism

RELIGION

AIDS and the priesthood

The sinister AIDS virus, a fatal malady with no known cure, has swiftly permeated a cross section of society during the seven years since it was identified. Now, at least two dozen Roman Catholic priests and brothers number among the 30,000 cases of Acquired Immune Deficiency Syndrome diagnosed in the United States alone. And AIDS counselors in New York and other U.S. cities, including Chicago and Houston, say that the disease has killed at least 12 of the clergy since 1981. Lawrence Kreidler, director of the AIDS Action Committee of Massachusetts, said that four Catholic clergymen have died of AIDS during the past five years—and that two others now have the disease. Said Kreidler: "I think that AIDS challenges the issue of celibacy like nothing is this century."

For their part, U.S. church spokesmen say that anti-deferred clergy—whatever their number—form a tiny percentage of the 63,000 Catholic clergy in the United States. In Canada, where 806 cases of AIDS have been reported, church representatives and AIDS-counselors alike say that they are not aware of any AIDS victims among the country's 35,000 Catholic priests and brothers. Said Nigel Roger Morris, chairman of the Archbishop of Ottawa: "We haven't heard anything about the issue here. And I don't know how it would be dealt with."

Researchers say that the disease can

be transmitted through blood transfusions and contaminated needles, as well as by the most common means, sexual intercourse. Because the church requires that men, priests and brothers refrain from sexual activity and condemn homosexual acts, any clergyman who contracts AIDS through homosexual liaisons has clearly defied Catholic doctrine. Indeed, Joseph Cardinal Ratzinger of Bavaria, the principal Vatican defender of Catholic orthodoxy, issued a letter to bishops last October forbidding Catholics to endorse homosexual practices. In it, he said that even homosexual activities constituted a "strong tendency toward an intrinsic moral evil."

Resistance's pronouncedly disappointed representatives in Canada, a continent-wide organization of 5,000 Catholic homosexuals, with chapters in 35 Canadian centres. According to Dennis Lau-Hing, the group's spokesman in Vancouver, the Vatican's stance will make it difficult for homosexual appearances to remain in the church. Indeed, last month Archbishop James Conway of Vancouver told the local chapter's 25 members that he would no longer permit them to meet in St. Paul's Roman Catholic Church, where they had congregated Thursday nights for the past 10 years. And last fall, Fr. John Bishop, Francis Shegogue of Brooklyn told his 630 priests in San Diego and other groups that condemn homosexual activity from the diocese's

churches, hospitals and colleges. In Chicago, U.S. Deputy president James Ryan criticized the U.S. Catholic hierarchy for its failure to develop a comprehensive treatment policy for AIDS-infected priests. Said Ryan: "There have been several instances where priests have been ignored or treated ineffectively."

Still, New York City's San Patrice Murphy said that in the past two years she has cared for two clergymen who were well treated by their colleagues before they succumbed to AIDS. Murphy, a diocesan of Charity was who is co-ordinator of a supportive care program at the city's St. Vincent Hospital and Medical Center, said that the hopeless circumstances of AIDS victims should generate Christian compassion for men who have failed in their calling.

Bel Bensen, for one, said he believes that Catholic religious leaders have been slow to confront the problem of priests with AIDS because it is simply too embarrassing and uncomfortable. Said Bensen: "The church hierarchy cannot admit that its priests are dying of AIDS. It would be pretty hard for them to argue that all the victims had blood transfusions or that they were shaving dirt onto their hair. They're men who, with only one alternative, homosexual activity."

Meanwhile in Toronto, Stephen Manning, a 36-year-old Dominican priest, says he believes that Catholic authorities in Canada will inevitably have to deal with clergy who are dying of AIDS. Manning, who acknowledges that he is a homosexual, is also the executive director of the AIDS Committee of Toronto, an organization that offers counselling and support to victims of the disease. Said Manning: "I do not know if any clergymen in this country have AIDS, but I would not be at all surprised if there were some. But all priests are celibate all of the time, and there certainly are gay priests. Some are going to contract the disease, and I don't know how the church is going to handle it. Catholic church spokesmen continue to deny that there is a problem. But if Manning's prediction comes true, church officials will have to deal with an emotionally charged controversy their dense to care for the sick, without stigma or judgment. It is a stark reality of modernization of all homosexual activity."

—MAGALAN DEAN AND ANDREW STANLEY
in Toronto and GARRY BLACK in New York



Michelle (left) and Laurence Lévesque with Sylvie, acquitted for lack of evidence

CRIME

Triumph for two sisters

They were supposed to travel directly from New Delhi to Toronto, but Michelle and Laurence Lévesque missed their flight and were forced to take another one which stopped briefly in Rome. That stopover on January 7, 1986, became a 12-month nightmare for the two sisters from Jonquière, Que. They spent the first four months incarcerated in Rome's awful Rebibbia prison, part of the time in isolation, haunted by "late howling and drug addicts screaming," according to Laurence. Then for the next nine months they were under partial house arrest in Rome, awaiting trial on charges arising from the discovery of almost 11 pounds of heroin concealed beneath false bottoms in Michelle's luggage. But when they finally got their day in court last week the process was quick and the verdict a relief to them because of a lack of evidence against the sisters, both were acquitted. Said Michelle, a 38-year-old high school teacher: "A new life begins. It's a triumph of the truth. We told the truth and it paid."

For their part, the Italian authorities said they were not convinced that the whole truth emerged during the sisters' two-hour court appearance. At the trial, prosecutor Luciano Infelitto

recommended the acquittal of Laurence, 36, a retired school-board administrator, but asked that Michelle be jailed for six years and fined \$6,000. The next day he filed an appeal against Michelle's acquittal and said that he will consider requesting the extradition of Michelle's 22-year-old daughter, Sylvie Roy of Montreal, Que., a former supper dancer and known drug user from Montreal, had suggested the sisters take the trip and had supplied them with the red Samsonite luggage in which the heroin was discovered. Michelle had told police that the drug was probably planted in New Delhi by a man who was recruited to her daughter but who bore the name Sylvie Roy—remarkably similar to her daughter's.

No one seemed to be more surprised by the verdict than Michelle, who rushed to an interpreter to confirm it. Earlier, as the three prodding judges named the end of four hours of deliberations, she had told reporters that she expected a conviction and added, "From what I've been told, two years would be normal here given the quantity of drug at stake."

The prosecution suggested during the trial that the two sisters and Sylvie Roy may have been involved with

the group that imposed the scheme. But with the help of Montreal attorney Claude Archambault, defense attorney Francesco Sarnesi argued that the Lévesques were unwitting participants. Afterwards he too appealed the sentence, asking for a full acquittal rather than the more ambiguous acquittal for lack of evidence that the court delivered. The judges were expected to release the full reasons for their verdict within three weeks, but in the meantime the sisters were free to leave the country.

The sisters had told police that they left their bags with a travel agent named Sylvie Roy while they took a last-minute excursion to the city of Vancouver before leaving Italy. But prosecutor Infelitto and investigating magistrate Francesco Niselli, who originally indicted the Canadian sisters, said they did not believe that the drugs could have been slipped into the bags unnoticed—or that anyone named Sylvie Roy did it. "Attempts were made to trace Sylvie Roy," declared Infelitto, "but no one could confirm his existence."

In Jonquière, 209 km north of Québec City, cheers rang through the halls of Polytechnic College, where Michelle teaches French, when the verdict was announced over the public-address system last Thursday. "I always believed they were innocent," said principal Yvan Perreé. "A year ago, when they were arrested, I said this was a frame job, there was something behind this. It was impossible."

Laurence Lévesque and that lawyer's fees and Michelle's lost wages had already cost them \$190,000. The financial toll on the family will be even higher if the appeal succeeds. By Infelitto, a tough prosecutor who made his name in Italy by prosecuting members of the Mafia, is granted and if he extradites Sylvie Roy. During the trial he contended that Sylvie Roy was a fiction character that Michelle invented to protect her daughter. He asked the sisters if they realized that they could not be prosecuted under Italian law for having committed perjury as an attempt to protect a family member. "Yes," they responded. "But our testimony remains the same."

The worst may still be over for the Lévesque sisters. And even their financial problems do not seem to be unmanageable—they have agreed to write a book for Les Éditions du 9e arrondissement, a publishing house, about their bizarre ordeal and have already sold film rights to producer Gilles Collin for \$60,000.

—JOHN KERRICK with SALLY CLERKE in Rome

Breaking a drug lord

According to police forces who spent the past eight years hunting him down, Carlos Enrique Leiber Lima is a drug warlord, the undisputed king of the Western Hemisphere's cocaine trade. But last week, in a heavily guarded Jacksonville, Fla., courtroom, the 37-year-old Colombian, wearing an \$8,000 Rolex watch, claimed that he was only an innocent and peaceful farmer. Then, U.S. Attorney Robert Merle described him as "the personal embodiment of a

tempt last month by the cocaine cartel in Bogotá. Such violence has been commonplace in Colombia, where the cocaine multimillionaires wield enormous power. Indeed, since an extradition treaty was signed by Colombia and the United States in 1983, efforts to bring South American notion claim that the cartel has been responsible for several murders, including that of Rodrigo Lara Berrío, the justice minister who helped negotiate the treaty. Added U.S. Drug Enforcement Administration (DEA) administrator John

Lewis: "They're killed 300 police officers and dozens of newspaper people, not only their enemy but also families of their enemy. They can become violent in any part of the world."

Within days of Leiber's down arrest at his ranch in the Colombian mountains, and his prompt extradition later that same day, it quickly became apparent that there were deep rifts within the cocaine cartel. During his arraignment on 12 charges that he helped to smuggle three tons of cocaine into the United States in 1981, his court-appointed lawyer said Leiber believed that Pablo Escobar Gaviria—who along with Leiber and Jorge Ochoa Viquez formed the powerful cartel—had turned him in. According to a report in Bogotá's largest daily newspaper, *El Tiempo*, several of Leiber's bodyguards have admitted to police that Leiber had been trying to gain control of more of the U.S. cocaine market, and that



Leiber: the embodiment of a narco-terrorist

had caused tensions within the cartel. But despite U.S. Attorney General Edwin Meese's proclamation that Leiber's arrest was "a major victory" in the war against narcotics trafficking, the drug trade seems certain to continue. Declared the *Meese's* Lewis: "Until the 8-8 million users of cocaine decide that cocaine is killing them, the cocaine will come from elsewhere." Indeed, some Colombian said that arrests in their country alone cannot end the illicit trade. Said Colombian Minister of Government Fernando Cepeda Ulloa: "Some groups here are beginning to ask, 'Why in Colombia are we dying? Why aren't other countries dealing with similar heroin?' Colombia's situation is very precarious."

The capture of Leiber marked the end of another bloody chapter in the Colombian drug trade. And it took place only two days after the assassination of the ex-judge minister and current ambassador to Hungary, Enrique Parejo González, an chairman of the United Nations Commission on Narcotic Drugs at a meeting in Vienna. It was Parejo's first public appearance since he survived an assassination attempt

last month by the cocaine cartel in Bogotá. Such violence has been commonplace in Colombia, where the cocaine multimillionaires wield enormous power. Indeed, since an extradition treaty was signed by Colombia and the United States in 1983, efforts to bring South American notion claim that the cartel has been responsible for several murders, including that of Rodrigo Lara Berrío, the justice minister who helped negotiate the treaty. Added U.S. Drug Enforcement Administration (DEA) administrator John Lewis: "They're killed 300 police officers and dozens of newspaper people, not only their enemy but also families of their enemy. They can become violent in any part of the world."

—KEVIN MAXWELL with ELLEN TOLMIE in Bogotá and SYLVIA KAGAN in a Toronto

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Competitive data obtained from published sources as of February 6, 1997.

Sex and 'Madam Cyn'

Her business in 1980 describes her as Lady Yvonne—but 59-year-old Cynthia Payne has become better known as "Madam Cyn." For the past several years, according to police, the English grandmother had staged wild sex parties in her south-west London home. But the parties stopped when police raided what she called her House of 1,800 Delights last May and charged Payne with nine counts of managing prostitutes. According to prosecution evidence during a sensational two-week trial, Payne's headman "were as busy as Pussycat Circus at rock 'n' roll." But last week the jury of eight men and four women acquitted the middle-aged woman of all charges. Said the victorious Payne: "My parties were nice—not vice."

Among those who testified against the well-dressed hostess were two police officers who had visited her house going to guests—one dressed as a country gentleman, another posing as a bisexual Welsh hotel owner wearing makeup and clai in tight-fitting jeans, a silk shirt and cravat. According to those witnesses, a steady stream of women accompanied men upstairs in Payne's five-bedroom house while businessmen, transvestites and prostitutes socialized downstairs. In addition, they said that guests who were too inelegant to suit for an available room used a bed in Payne's backyard. Still, their hard testimony did not impress Judge Brian Pryor, who said that the police account of sex, striptease shows and male "blues" serving drinks sounded like a commentary on a ready-made match.

Payne has had a colorful career. In 1980 she was convicted of managing prostitutes, and after serving a six-month jail sentence she said that she decided to swear off the sex business. But Payne had candidly admitted that she found life sex luring without her parties. And clearly, the jury's acquittal was captured by the blarney, dubbed madam, who contended that while guests sometimes "would bring a bottle or give me a liver or a tinner [five or 10 pounds sterling] at the door," payment for sex was not required. "I don't call it a party a brothel," declared Payne. "They were all just friends of mine, and they were just having fun."

—NORMA UNDERWOOD with correspondence reports

MEDIA WATCH

Fever in a climate of scandal

By George Bain

A truth has been said to be the best remedy in war, but when it comes to scandal—or balance—in the first instance of scandal. In the media, scandal affects judgment. Richard Gwyn made the point more generally in *The Shape of Scandal*. Speaking of scandal, current and past, he wrote that "the content of even the most famous of scandals, once the gossip was separated from disconcerting evidence, was much less than the content of the moment suggested."

The scandals he wrote about were those that fell on the government of Lester B. Pearson, one after another like a stack of bombs, between November, 1964, and July, 1965. The proposition that the quality of reporting deteriorates in a climate of scandal goes back with me to that time.

If anything, the specific content of the prime scandal then—the Broad affair—was more substantial than in the Oakeshott affair so far. The latter scandal was no more, or less, scandal. In the first, the prime minister's parliamentary secretary resigned, having acknowledged involvement in behalf of a drug smuggler, Lucien Boudry, who was in jail awaiting extradition and trial in the United States. Three aides to cabinet ministers were accused—not improperly, a subsequent inquiry found—of involvement, one of having offered to accept a \$25,000 bribe not to expose him.

In an unrelated matter, a minister was forced to resign following accusations of having accepted a bribe. In another, a judge—a Liberal appointee—was accused of accepting gifts of company stock from which he profited. Between these and others, there was the furniture scandal. Documents held by a bank, creditor of a furniture company that figured in investigations of bankruptcy fraud, showed that two federal judges had bought quantities of furniture with nothing down and no subsequent payment.

Whether, in whatever times, such a private default would have been seen as compromising a minister's independence is at least debatable, it was then scarcely questioned evidence of corruption. Any journalist in a career will write about that, on reflection, he would rather not have. I wrote an excessively moral column reading President Dwight Eisenhower's taking the resignation of his chief White House

aide, Sherman Adams, for having accepted the gift of a vacation coat, and arguing that the prime minister should have the same. My subsequent question later was not whether the column was wrong in fact and the argument indefensible but whether, away from the context of scandal, it would have been written at all. The indicated answer was no.

The same question arises now—with, for example, the page 1 headline in the Jan 23 *Globe and Mail*—re reported to have had-and-proof. The Canadian Press story below did not say the Prime Minister had proof of anything but that "an insider"—no member, unidentified—said the Prime Minister had evidence. Even in a headline, where a comprehensible thought must be conveyed within an ascertainable number of units of type, transcribing "evidence" as "proof" is gross inaccuracy.

The rich innuendo of the heading was nowhere borne out. What, then, justified the story except the climate of scandal?

The story itself went on to say fully that the minister's office, "Anita LaRue, received \$400,000" and that "the deputy minister of the industry received his pay to be determined... but the source said it is smaller." In ordinary circumstances, especially if the persons involved were in private business, any news suggestion would result from such statements from an unnamed source—if not in fairness, then in fear of libel action.

The same story, as originated by the CBC and *The Toronto Star*, was attributed to "sources," who could be anyone. These stories were then translated by the *Globe and Mail* as federal cabinet. The Prime Minister's Office itself had leaked the information. In CBC's *News* 60's broadcast, the words, the Prime Minister himself was "having officials in his office systematically leak... shadowed information." Whether such as caution are true or untrue, what is certain is that neither leader got his information from the 1960s.

That leaves two possibilities—that the comments of the opposition leaders were wholly responsible, or that, assuming the 1960 was the source, some

media people, playing a double game, relayed to the opposition information they were not prepared to give their readers and listeners, having got it off the record. That latter would—or might—be true interesting ethical questions in journalism seminars. The scandal syndrome is not unique to the *Globe*, but as the newspaper that supposedly sets the standard in national affairs, it is an unduly judged. Other examples from the national edition include a staff story, distilled Montreal, Jan 20, headed "Bismont's ethics come under scrutiny of investigation firm." The rich innuendo of the heading was nowhere borne out. Last year someone unidentified asked a private investigator for a report on the three-act, evidently for business purposes, unrelated to the Oakeshott affair. It found him "a competent and aggressive businessman." What, then, justified the story except the climate of scandal?

On Jan 27 a page 1 story headed "Bismont's ethics come under scrutiny of investigation firm" began, "At least one of the companies bidding for the \$400-million air-defence contract eventually won by Oakeshott... was interviewed by André Bismont as part of the tendering process, one of the bidders has told *The Canadian Press*." It also reported the unnamed informant saying, to similar effect, that Richard Stevens, Bismont's and the *Globe*'s deputy minister of the industry, were "up to their eyeballs in it"—which is to say, assuming the socioeconomic benefits that might be derived from the various bids. As Stevens was industry minister, Bismont's deputy minister and Stevens the deputy, and considering that this aspect of the contracting came within the purview of the department, again, what was the story?

The *Globe* also has had great difficulty getting the correct values straight at "the \$400-million contract" (Jan 16), "a \$1-billion contract" and "a \$600-million contract" (Jan 22), "the company was awarded the \$400-million federal defence contract" (Jan 23), "adding for the \$400-million air-defence contract" and "the \$1-billion low-level air-defence contract" (Jan 27), and so on and so on. As a journalist friend said, you can bet the publisher wouldn't stand still for figures with a 40-per-cent margin of error from the circulating department.



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An exhilarating Rendez-Vous

Under a heavy mantle of ice, the St. Lawrence flowed serenely by Quebec City last week. In the drapéd but rain-splashed vestibule, pedestrians learned just the athletes are carrying celebrating the city's famous Winter Carnival. And when they looked at the passing luminaries, they caught glimpses of Pierre Moineau

face the first face-off. Team 1985, head coach Jean Perron said. "The reputation of the 1975 is at stake for the players, there are the two most important games of the year."

For North American hockey fans, the 1975 was the year of the great 1975, face—they were also the two best games of the series. Both matches were played at levels of speed and skill

game, you had to give out at all times. At no time could you let up." Added Tikhonov: "The most surprising thing is that the level of play never deteriorated. And it is important to understand that the NHL or the Soviet Union did not win this series. The winner was the game of hockey itself." Added Wayne Gretzky, the outstanding 1985 player of the second game,

later scored the winning goal in the first game. "In situations like that, you hope your instincts take over once the puck is dropped. We do have a group of players with great hockey instincts."

Mark Messier, the outstanding centre of the Edmonton Oilers, was less optimistic. Said the muscular 36-year-old: "We certainly have the talent. But great talent doesn't win a series like this, great teams do."

The pre-series reports on the two teams justified that pessimism. Because of injuries, the league was without three of its best players: New York Islanders forward Mike Bossy, a gifted goal scorer, Paul Coffey of the Oilers and Mark Howe of the Philadelphia Flyers, considered among the best defencemen in the league. Their only peer, Ray Bourque of the Boston Bru-

ins, scored the first goal in the first game. The KHL line accounted for two goals in the Soviet's second-game victory.

The unknown factor about the Soviet team was how their young goaltender—Evgeny Beloboukin—would react to the pressure of the situation. The 20-year-old goalie has played only one full season in the top Soviet league, from which the national team is drawn. But Beloboukin developed under the tutelage of one of the best goalies ever to play—Vladimir Tarasov. And the younger player brilliancy in the 1986 World Championships and in the pre-Olympic Calgary Cup last month. Still, Messier felt coach and general manager Scotty Bowman said that the Soviet made some mistakes in the first game. Said Bowman: "In the past the Soviets won because of Tarasov. He was

sible player. Said Messier: "To me this is a defensive team. In football, I'm not supposed to get recognized."

In fact, the crowd roared just as easily here as it did in Washington Capitals' defence. Said Langway, who repeatedly frustrated Soviet attacks. Naming a postgame visit under his right eye and a dabbling blood from cuts to his face, Langway said: "We were very concerned about just looking bad. It's not like the NHL. We have to show the Soviets so much respect." Messier believed the respect is mutual, but added, "I've never seen a whole team so strong on their skates and so strong with their sticks."

Predictably, the Soviet's best player made some mistakes for the Rendez-Vous 87 series. Wayne Gretzky simply played the game his way. Whoever the competition, the 26-year-old Oilers centre controls the play. Oilers administrator Bill Taylor explains Gretzky's magic in terms of chess points. Said Taylor: "Every player reaches a point where he has to give up the puck or lose it or take a body check. Wayne's chess point is higher than anyone else's. He will hold the puck for one, two, three seconds longer than anyone. And he knows the other players' chess points, and uses that."

Gretzky himself contends that the Soviet hockey system has reached a crisis of sorts. Since the first encounter in 1972 between hockey's superpowers, 1975 teams have learned more from the Soviets than the Soviets have from the NHL. Here and some NHL teams are now sending two, not three, forwards to forecheck in the offensive zone. And more teams are using the Soviet's free-wheeling offensive patterns with passes between interchanging forwards, no longer simply skating on left and right wing or at centre. Said Gretzky: "We give the same play, very aggressively, going to the puck all the time. They were dominant when they had Tretiak. When he retired, that was like an NHL team losing Ken Dryden or Terry Sawchuk. They started dominating without him, and they may never replace him."

Clearly, a two-game series could not decide which team, or hockey philosophy, was superior. And many NHL stars, including Gretzky, would like to see a re-enactment of the 1975 seven-game series, which Team Canada won with Paul Henderson's dramatic goal. Said Bowman: "Playing just two games is like having John McEnroe and Bjorn Borg play one match to decide who is the world's best tennis player. It's just not realistic." But seven games, which Team Canada beat 4-2, last week's brief encounter provided a feast of hockey manna.

—Bill Quinn in Quebec City



Whomps, wife Miki and Canadian fans cheering on Team NHL's split victory and a mutual respect

Brin Maloney, his wife Miki, Pierre Caville, Paul Arks or any one of dozens of celebrities and artists in town for Rendez-Vous 87—the multimillion-dollar festival of sport and culture. But the centrepiece of the international event was two games between the stars of the National Hockey League and the Soviet Union's national team. They were just two evenings in a week, featuring a black-tie gala, concerts and fashion shows. But for the participants, they were the redemptive Re-

naissance only when Canadian teams face the Soviet Union. Team 1985 won the opening game 4-3 on a dramatic goal with just over a minute to play. Said Soviet coach Viktor Tikhonov: "We realized then that we had to strengthen our attack. The play was much quicker than we had ever seen before from an NHL team."

The Soviets raised the already high level of their play and won the second game 3-2. Said Soviet forward Vladimir Krutov, who scored twice: "In this

"They're such a great team, that we knew we couldn't sweep them."

In fact, before the first game the members of Team 1985 seemed almost resigned to an unenviable task. The 38 players had assembled for the first time only two days before the series opened on Feb. 11. Preparing to face the best players in the world outside the NHL, the all-stars had time for just a brief skate, one full practice and a couple of team meetings. Said Philadelphia Flyers centre Dave Poole, who

also did play in Quebec City but was hampered by a groin injury.

Moreover, scouting reports on the Soviet team indicated that the second would be severely tested. The Soviets are acknowledged as the hockey world's best skaters and playmakers. But even among the Soviets, the KHL line—Kriser, late Larsson and Sergei Makarov—stands out. In 22 previous games against NHL teams, right-winger Kriser, 38, had scored 39 times. His centre, 36-year-old Larsson, had scored 15 times in 20 games.

And left-winger Makarov, 36, had scored 21 goals in 24 games. Said

to good that he gave the whole team confidence and psyched out the opposition. I don't think they have been able, or will be able, to replace him." Although he played well, Beloboukin allowed seven goals and did not play at Tretiak's level.

After the first game, Messier stood at his locker in the NHL dressing room, a lack of wonder on his face. Poole's goal, with one minute 35 seconds remaining, had won the game. Said Messier: "We became a team in 48 hours." He had more difficulty believing that a committee of hockey writers had named him the game's most valua-



Soviet's Vladimir Krutov after scoring on Friday night, the last of both teams

FROM THE HIP

Directed by Bob Clark

Just a year out of law school, Robin Weathers (Aldo Nova), hero of *From the Hip*, is, in his own words, "self-promoting and opportunistic." Aggravated for advancement within an elite Boston firm, he cleverly insinuates his way into his first trial, a simple assault case. His client, a banker who enjoys a good fight, asks him to drag the trial out for a few days. With charismatic showmanship, Robin turns it into a media event—and himself into a star. Delighted, the banker fanatically pressures the firm's powers to make Robin a partner. They comply—but get back at the client-scribbled apart by assigning him a difficult murder case. In fact, it becomes clear that the defendant, Virginia Bennett (John Hart), is not only psychotic but perhaps guilty. Facing Robin to re-evaluate his legal ethics.

From the Hip works best as a satire of the justice system. The script, by director Bob Clark (Parity, *Murder by Desire*) and David R. Kelley, features some wonderfully satirical writing. But when the movie abandons its satirical edge, it becomes unbearably pious. Clark seems to want it both ways—gritty reality and tender sentimentality. The best example is Robin's girlfriend, Jo Ann (Kathleen Perkins), who works with underprivileged children and sees herself as "somewhere between Mother Teresa and Brenda Barnes." Hart is brilliant as the disturbed client who expresses complete contempt for mankind, but as the show-off father, Nova is needlessly smug. Like *Jo Ann*, *From the Hip* aims to be tough and sweet. Instead, it is merely salt in the center.

—LAWRENCE OTOOLE

OVER THE TOP

Directed by Menekha Golan

Stallone's Stallone's movies give the better part of his performance in *Over the Top*. As Lincoln Hawk, trucker and arm-wrestling champion, Stallone grinds his teeth and pops his veins against contestants with upper arms as large as prize hams. Straining to be more than a one-armed replay of Stallone's Rocky movies, *Over the Top* adds a plot line. Hawk's attempt to reclaim the love of the one he deserted as an infant. Hawk's estranged wife, Christine (Susan Blakeslee), is dying, and her last wish is that he reconcile with their 12-year-old son, Michael (David Man-



Stallone, Nick Zeman: Stallone's performance with arms as large as prize hams

delhall). The major obstacle is her father (Robert Loggia), a trucking tycoon who tries everything he can to stop it, including sending goons to kidnap Michael. By the time Hawk forgoes his way into the World Arm-Wrestling Championships in Las Vegas, there have been shed an especially sweet.

Over the Top gives sentimentality a bad name. The script, by Stallone and Shirley Rabinowitz, is a dated catalogue of clichés, featuring pop talk phrases on the order of "as long as you love like a winner." The child is a horror—spoiled and nasty. The underwriters cruelly mangle him with incredible logic. "See, you are going to be a victim of childhood poisoning later in life," he says, after Hawk suggests they share a smoke. Hawk teaches Michael how to drive his rig and, of course, to arm wrestle. In one scene, father and son do pushups by dawn's early light. Still, the kid does neatly sum up the main objective in this celebration of the biceps: "There's more to life than just muscles."

—L.O.T.

DEAD OF WINTER

Directed by Arthur Penn

Nearly all the classic elements of the traditional dramatic mystery are present in *Dead of Winter*—including a corpse in an isolated murder house. But the result is just a pedestrian assurance

of cinematic tricks and devices. Opening with a dramatic murder, *Dead of Winter* quickly switches focus. A look-alike of the victim, out-of-work actress Katie McGovern (Mary McCormack), is approached by a mysterious Mr. Murray (Randy McDowell) to take over a role in a movie thriller.

Murray drives her to the remote house where the film's producer, an enigmatic man named Dr. Joseph Lewis (then *Rebel* plans to videotape a screen test. When Katie jumps into a scuffed polar bear in his office, Lewis tries to seduce her. "He's quite dead," he says, with creepy geniality. "I killed him myself." When a snowstorm strikes, Katie discovers that the phone lines have been cut. Slowly it becomes clear that Lewis and Murray are involved in a blackmail plot against the dead woman's sister, which requires them to prove that their victim is still alive. But if the plan succeeds, they intend to kill Katie too.

Director Arthur Penn tries hard to have fun with material that is as trite as a creaking door. There are some deft sinister touches involving mice and knives. But the performance in *Dead of Winter* are bland and mediocre, especially McCormack's. Film audiences have been coaxed up with the same clichéd characters too many times. This movie has been built before—and better.

—L.O.T.

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Flying Asian invaders

They are active and prolific insects. And unlike the common cockroach, they not only fly but they also seek out the light, instead of scuttling into dark corners. Indeed, with characteristics that appear to be lifted from science-fiction accounts of insect invasions, the *Blattella asiatica*, or

Asian cockroach, has caused real-life nightmares for residents of the Tampa area of central Florida during the past year. Scientists say that they believe the invasions arrived in Tampa by air from southeast Asia in the early 1980s, most likely in the packaging of commercial goods. Since then the

injury, brown, half-inch-long insects have thrived in the state's warm climate. They have infested some neighborhoods in such numbers—up to 100,000 cockroaches per acre—that some Tampa residents have given up backyard barbecues. Said Richard Brenner, an insect researcher with the U.S. department of agriculture in Gainesville, 900 km north of Tampa, "If you had to design a pest to be a major pest, this would be it."

Now, fears are growing that the infestation will spread to other parts of the United States. Asian cockroaches reproduce rapidly because they attain maturity in only six weeks, compared with the three months required by some common varieties. And with their ability to fly, they frequently travel up to 300 feet in a single flight. In addition, travelers returning from Florida could inadvertently carry Asian cockroaches back home in their cars or luggage. But while the insects could spread across Canada and the northern states, Brenner said that the cold winter could prevent a widespread infestation.

In Florida, cockroaches already overrun with Asian cockroaches have been unable to get state or federal aid against the flying insects. One reason: U.S. and Florida officials say that the Asian cockroach does not pose a threat to agriculture or livestock, and they currently regard it as simply another urban pest. But Philip Koehler, an entomologist at the University of Florida in Gainesville, is urging local agencies to launch community-wide spraying programs against the insects, which, unlike many established varieties of cockroach, are vulnerable to readily available pesticides.

The insects are particularly noticeable—and troublesome—at dusk. At that time, according to Brenner, swarms of the insects move toward porch lights in infested areas and often attempt to enter houses. Said Brenner: "They are so active that just one in the house is too many. People don't like it when they land on the wall or crawl across the television screen." Concerned researchers say that the flying cockroaches are likely to spread disease and increase the risk of food poisoning by carrying particles of animal droppings and contaminated soil into houses. And as scientists seek ways of controlling *Blattella asiatica*, Koehler suggested an even more chilling possibility: the newcomers could begin to develop the traits of already-established cockroach varieties—including a strong resistance to pesticides.

—IAN AUSTIN in Washington with correspondence reports

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Born under the lash

THE FUGITIVE

By Robert Hughes
(Random House, 352 pages, \$26.95)

UNTIL the 1980s Australians living in London could expect to be reminded with some frequency that their ancestors were convicts. Their ancestors, especially if the Australian is question happened to be a patently middle-class, would be that generation of embarrassment known as Under on the cultural cringe. As Robert Hughes, best known as *Time* magazine's art critic, writes in *The Fugitive Shore*, "None wanted to have convict ancestors, and few could be perfectly sure that some felon did not perch like a crow in their family tree." Throughout Australian history, the convict experience was something everyone wanted to forget in the search for respectability and national identity. That is likely to change with the publication of *The Fugitive Shore*. Hughes has written a harrowing, sanely dispassionate account of Britain's use of Australia as a human dump between 1788 and 1868.

Most history is written by victors, thus one records the howl of the underdog.

Although Georgian England presented to the modern eye an aspect of refined mechanical grace, its social reality was another matter. The industrial revolution was destroying the traditional trades, and the landed gentry was driving small farmers off the land. A rising class that felt endangered from below passed laws that grossly multiplied capital offenses. People could be hanged for poaching a rabbit or appearing on a high road with a wolf by the jacks, half of them gravely owed, were so full that the state turned to the rotting hulls of anarchy's wreckage. Who could be more logical than to set the underdog adrift in the social eddies?

The *Fugitive Shore*, which set out from



Hughes harrowing

England in 1787, is Hughes's words, a "Noah's Ark of social-time creativity." Of 788 felons, the youngest was a nine-year-old chimney sweep who had stolen some clothes and a pot, the oldest an 80-year-old woman convicted of perjury. She survived the crossing only to hang herself in despair on an Australian gum tree. The journey, made in 11 months, was the longest voyage ever undertaken by so many people—a distance of almost 14,000 miles. On arrival,

as the women were unloaded from the boats, there was an orgy. It was, writes Hughes, the first bush party in colonial Australia. As the English rubbed between the rocks, the sexual history of Australia may fairly be said to have begun.

The penal history of convicting that followed was nasty, brutal and long. In the next eight decades more than 160,000 made the frightful eight-month crossing. While eight out of 10 were women, there were also readers of Thomas Paine's *Rights of Man*, Catholics from the failed uprisings of 1837 and 1838, and—most hated by the



Flogging at Myrton Bay penal colony (around 1836): the howl of the underdog

system—the Irish. The majority worked in government chain gangs or were assigned as cheap labor to free colonists, before winning emancipation.

At the heart of the system lay a policy of terror—the secondary penal settlements designed for recidivists. Everywhere in the colony the application of the out-of-sight-tails seems to have been endless, mechanical and horrifying. But the secondary settlements of

Norfolk Island and Port Arthur in Van Diemen's Land (Tasmania) became austere avocations of justice, run by a procession of martinets, sadists, psychopaths and good flogging Christians. They formed the heart of the darkness in Hughes's disquieting panorama.

Only one serious penal reformer emerged in the whole history of the transportation. Alexander Macleay, a naval officer who ran Norfolk Island for four years. He replaced punitive

flogging with a merit mark system and treated his captives as human beings. He was far ahead of his time and was, of course, quickly replaced.

In the best Australian tradition, Hughes is no respecter either of persons or of those stout and censorious myths with which nations delude themselves. He has a sharp eye for squalor in all its forms—for the hypocrisy of the British ruling class and for the grasping go-getting ethos of the free colonists, who wanted to have it all the same time: a democracy and a thinly disguised form of slavery. And Hughes's passages on the treatment of women and aboriginal people are unforgettable. In Tasmania the natives were exterminated in something that resembled a great pheasant hunt.

The Fugitive Shore does not make for comfortable reading, but it is sustained by its passion and by its riveting detail. Hughes, who spent more than a decade on the project, has uncovered the voice of the convicts themselves, in ballads, letters and private remarks. He has laid 18th-century society bare to the marrow, like a prisoner's back under the lash. There are no easy morals here—only a horrifying blueprint for the larger Gulag and Dantons of our present century.

—GEOFFREY JAMES

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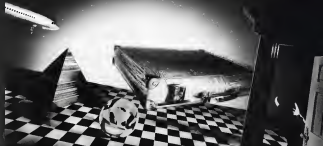
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Legal eagles and the law of the jungle

From Perry Mason to *The Defender*, courtroom drama has traditionally served as reliable prime-time television fare. According to TV tradition, a lawyer is an honest and heroic crusader who solves murders, moon pines and rescues innocent defendants. But a more realistic breed of barrister has recently begun to peep the small screen. He—or she—does not work alone but as a member of a partnership. Instead of defending an accused killer, the new TV lawyer is more likely to be suing a corporation, settling a divorce—or putting a price tag on a personal injury. The show that has most radically altered the image of lawyers on television is *L.A. Law* (ABC).



Peter Onorati, Peter Onorati, John Houseman, and John Houseman

Comedic subplots often take on a serious turn. An early *Street Legal* story line was based on the actual case of a Jamaican baker in Toronto fighting a government order to advertise his meat "parties" as pigs. And a recent *L.A. Law* case dealt with the theft of ball screws—a serious problem

for cattle breeders.

But there are striking contrasts between the two shows. *L.A. Law*'s six-partner firm is larger and more affluent than *Street Legal*'s insouciant storefront trio. The American show's high-gloss budget of \$1.25 million per episode is more than double that of its Canadian counterpart. And unlike *L.A. Law*, *Street Legal*—which is a tame yet apocalyptic Moonlighting and FBI St. Albert—in its own ratings was. Still, CBC has renewed it for next season.

But the most critical difference between the two shows is their cast. On *Street Legal*, the entire office and courtroom, *L.A. Law* features witty, flamboyant scripts with long stretches of dialogue clanging to expose a moral bankruptcy in the legal system. Meanwhile, *Street Legal*'s camera, shooting off Toronto's scenery, spends more time saluting than in court. And the show's wholesome lawyers—

The cast of *L.A. Law*: going beyond the courts into lawyers' bedrooms



performed in strong performances by Eric Peterson, Benji Davis and David Johnson—offer few insights into the law. Jack Levinson, who teaches at the University of Manitoba, called *Street Legal* "empty and venous" but he said that he often discusses reasons raised by *L.A. Law* with his students. "Although the show may bundle the issues inadequately," he said, "it presents them in a stimulating way." *L.A. Law*, he said, reflects a social trend. "More and more, the practice of law is recognized to have become a business."

In *L.A. Law*, the value of justice is often measured by dollars, whether in a lawsuit against a negligent pharmaceutical company or a divorce action against a bigamist. The show's most cynical



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character is, in fact, slow-driest divorce lawyer Arnold Bester (Curtis Benson), who uses his hairless charm to manipulate and occasionally seduce female clients. Meanwhile, the more subtle members of the *L.A. Law* posterboys, notably the show's Michael Kimm (Harry Hamlin), are disturbed by the crassness of their profession. In one satirical episode, a corporate client told Kimm, "There's nothing uglier about a lawyer...it's just 15 American characters waiting to be sold."

Like smart lawyers, *L.A. Law*'s producers swing the mass purg of television viewers with emotional appeal, style and authenticity. Indeed, five members of the production team actually are lawyers—including on-episode Terry Lodge Fisher, who created *L.A. Law* with Steven Bochco (RIP St. Rita). A former deputy district attorney, Fisher has drawn on her own disillusionment with the justice system. In fact, the first man she hit hardest as a prosecutor served as a model for *L.A. Law*'s pilot shot last September. The episode featured the harrowing ordeal of a terminal leukemia patient who is gagged, straitjacketed in a gurney container, then hospitalized in the courtroom. "We received a lot of mail saying the story was too trampled up," Fisher told *MovieWeek*, "but the state of the real case was 15 times worse."

Although it often presents the legal profession in an unflattering light, *L.A. Law* is popular among lawyers. Toronto lawyer Clayton Ruby says that he is a fan of the program. "The depiction of the profession is 'repackaged but accurate,'" said Ruby. "All of us know a version of the divorce lawyer who sleeps with his clients."

Less provocative than *L.A. Law*, Steven Lego's *Beauty* series, according to both Ruby and London, but it also relies on legal controversies—including a women attorney and Diane Martin, one of Toronto's few women criminal lawyers. Martin served both as a script consultant and a model for the series' character, Carrie Barr. The program's main concern is that the show's legal trappings lack and second Canadian Broadcasting executive producer Marjorie McKenna "I'm not doing a lawyer series, but a Canadian series."

The difference between *Steven Lego's* satirical and *L.A. Law's* flamboyant, gently reflective, is the contrast between the Canadian courtroom and its American counterpart. But it also represents different approaches to dramatizing the law. *Canadiana* is intellectual, and as *L.A. Law* was a prime-time position, its winning formula may prove tedious.

—BRAND D. JOHNSON with BARBARA KONGS on Toronto



Hamelin is future to explore why the boys don't jump into vicious rapists

The rage of male rape

RAPISTS, CAN THEY BE STOPPED?
(CBC, Feb. 23, 9 p.m.)

For a program about the classic crime against women, rape, they play a surprisingly small role in John Zaritsky's documentary, *Rapists: Can They Be Stopped?* Zaritsky, the Canadian filmmaker who won an Oscar for his 1981 documentary *John Alexander Murray Kid*, focuses almost exclusively on the rapist, profiling five men in Oregon State Hospital who among them have committed more than 150 sex crimes, including two murders. The film claims, "The men in this film are like most rapists." None, sense, they are not men who rape because they are drunk or do not know any better. They are selfish psychopaths, criminals who rape and kill in cold blood, which is why they are unrepentant, behavior modification. By presenting them as basically decent, good-looking guys next-door, Zaritsky—however unintentionally—comes close to turning his subjects into heroes.

The main error taking about their crimes, and the film gives them every opportunity. They show little empathy for the victims they abuse when confronted by rape victims look like the easy, emotionless faces expected of them and they convey little sense of genuine grief or remorse. In front of the camera, the rapists speak in a pseudo-psychological jargon copied from their therapists. In fact, they seem so polite, articulate and concerned that it is often hard to tell the two groups apart.

But when one of the rapists makes a video telling women how to avoid rape, the best might be better in "Keep your windows closed."

While Zaritsky presents the rapists as real men with wives and children, means and ends, their female victims remain faceless without names or voices without faces. His attempts to dramatize the sexual assaults tastefully are unconvincing. And his handling of the sexual confrontation between the rapists and victims of other sex criminals—a key part of the treatment—is ethical and fragmentary. By so dramatically the role of women in the film, Zaritsky adopts the rapists' own fantasy of women as objects.

Most critically, *Rapists* fails to say how rape can be stopped. By focusing on the hospital's lengthy and still-unproven treatment for extreme sex criminals, it evades the real question of why they become rapists. The only clue is tossed out as an aside 66 per cent of the men in the Oregon treatment program were sexually abused as children.

In any case, Zaritsky did not need to go to Oregon to make his film. A similar treatment program is running at a number of mental health institutions across the country. But rape is not so big a story in Canada: the incidence of rape in the United States is four times higher. Misquoting as a serious film, *Rapists: Can They Be Stopped?* is a superficial, sensational attempt to exploit prurience and fear.

—KEVIN ROBERTSON

THEATRE

A movable feast of Prairie drama

In the late 19th century, fur traders in co-dressed carts travelled between Fort Edmonton and Fort Garry, now Winnipeg along a track known as the Caribou Trail. Now, they're in Saskatoon and Edmonton are transmuting that historic route into a cultural highway—exchanging five drama. Two weeks ago, Saskatoon's 25th Street Theatre produced *Melody Farm*, written by Stephen Lee Mitchell, while Edmonton's Theatre Network mounted a new play

(recently produced by Steve Mussey) and Mrs. Vange (Susan Williamson), who tries to hide the fact that she is Robert's mistress, even lest at making life worse for the man. Only Karl's lovely wife, Marge (Mary Haines), truly cares for them.

Passionately directed by Tom Bentley-Fisher, the play subjects the audience to a barrage of shouting and strong sexual violence of the drama centres on Marge Haggard, powerful



Haines and Stained in The Last Bear dramatic scenes

and married to a lust, she still battles to express love to the hand-crafted men. In the play's most tender scene, Marge, in a pool of red light, crosses the peace and recalls a tender moment with Marge. Meanwhile, she sits alone in the darkness again, looking in the same red light, alone and miserable. But while Haines effectively conveys Marge's frustration, she does not generate enough emotion to support the script's themes of desire, jealousy and thwarted fertility.

Melody Farm should be Marge's play. But the four hand-picked men steal the attention, leaving Marge's hopes, feelings and rage in their own, bawdier struggle against insensitivity and ignorance. They provide some of the most compelling moments, but fail to compensate for its lack of a strong centre.

Raymond Storey's *The Last Bear* also focuses on a claustrophobic environment—in this case, a small Canadian town. Robert (Jeff Hamilton) is a music teacher at a local private school. He has caught the last bear back to his home town to attend the funeral of his best friend, Marty, who crashed into a bridge abutment while drunk. Robert is haunted by the possibility that Marty committed suicide. As the play unfolds, it becomes clear that Robert and Marty have had a strange bond over each other since childhood. Indeed, Storey implies that Robert's love for Marty was more than

fraternal. When Marty's tough girlfriend, Blair (Jane Spaldin), tries to transfer her affections to Robert, he rejects her. Meanwhile, Robert finds himself at odds with the narrow-minded townfolk, clashing with his blue-collar mother and brother. He appears angry and in pain, but the play fails to provide enough dramatic evidence of his distress.

Robert and Blair meet for the last time as he waits for the bus that will take him away again, and they discover that they have reached some basic conclusions about life, death and love. But the audience never learns what their conclusions are. To detract Robert Haines' credit, he and his unfortunately good cast have managed to keep the action interesting, despite the play's lack of clarity. And designer Daniel Van Hoyt has created an evocative highway to nowhere that looms over the stage. The image dominates the action, a constant reminder of Marty's death and Robert's need to move on. Ultimately, the production of *The Last Bear* is better than the play, which—despite its tongue-in and its sometimes raucous sense of humor—will be travelling along the Caribou Trail with only three wheels on the road.

MACLEAN'S BEST-SELLER LIST

FICITION

- 1 *Whitehead, Glenn* (2)
- 2 *My Heart* (3)
- 3 *The Eyes of the Dragon, Ang* (4)
- 4 *A Year for Death, James* (4)
- 5 *The 13th Day, Priddy* (5)
- 6 *The Progress of Love, Wilson* (5)
- 7 *Wanted: The Gods, Sherrin* (5)
- 8 *The Queen's Secret, Thompson* (5)
- 9 *The Night of the Fox, Pagan* (10)
- 10 *Hollyhock Gardens, Colton* (7)

NON-FICTION

- 1 *His Way: The Unconquered History of Fresh Water, Kelly* (1)
- 2 *Vince, Simon* (2)
- 3 *Love in Motion, Gwynne and Thompson* (3)
- 4 *Confessing Intestines: What Ours Can Tell Us, Pagan* (3)
- 5 *Canterbury, Gail* (3)
- 6 *The Story of Kahlil, McCann* (3)
- 7 *Maclean's Maclean's* (3)
- 8 *Maclean's Maclean's* (3)
- 9 *The Master Builders, Foster* (3)
- 10 *Out of Character, Forrester with Maclean's* (3)

11 *How to Win to Be a Country, Lynch*
(1) Fiction best seller
—Compiled by Patricia McNulty

Huffing—not puffing—at the back

By Allan Fotheringham

We have some sad news to transmit. Another endangered species has been identified. It ranks right up there with baby seals, the whooping crane, Labrador in Western Canada and the threatened wolverine. To tell the truth, it's good news, since the frightened species is the run of the snooker. The snooker is definitely in deep trouble, at least in this world—excluding Quebec, China, and most of Europe. The government has now moved in, and heavy-handed

main problem is not smoke (I rather enjoy the smell of pipe tobacco). The problem is rudeness. That's why the guys in the white hats are now picking up on the guys in the black hats. I can put up with a little leftover smoke drifting my way, but at this advanced age find myself increasingly irritated by the cavalier, lazy manners of smokers. There's the rub.

They tuck butts down in any available corner, not bothering to rub them out. They drop them on the street, sometimes even taking the trouble to step on them first. You've seen



government is worth a lot of little old ladies with tiny scissors who go around snipping the ends off butts from startled faces of gape on the subway.

The U.S. government has just brought in stiff antismoking regulations in the 6,800 buildings owned or leased by federal authorities. Some 500,000 employees are affected, and it's only democracy, since an estimated 70 per cent of all American federal workers do not smoke. The good guys are winning at last. Assassins are the most irrefrago types alive, and already the lawsuits have started, initiated by nonsmokers: their health has been ruined, they argue. And they're right, by their way. And if there's anything secondhand about this, it's secondhand smoke.

There are going to get worse (is better). The New York State Public Health Council has announced the toughest standards yet. As of May 1, no one is to be allowed to smoke in any place except in designated "smoking areas," which sounds to me, appropriately, like clubs. No smoking will be allowed in malls, meeting halls, theatres, arenas, museums, taverns, bars, waiting rooms. No smoking in schools, hospitals, day-care centers, time, wherever it would seem the only place left is the pool hall.

Now we must collect ourselves here. A lot of this could have been avoided long ago except for one thing: The *Alvin Karpis* is a statement for

them casually toss the things out of their car windows. You're on a pristine mountain slope, freshling out on the blue sky and the crisp white, when on a T-bar lift you find poor kids shuddering over the brown stains and refuse left in the snow by the addicts who can't resist looking up paradise. Sorry, but that must be punished.

It's not the smoking itself. Everyone should be allowed to go to hell in his or her own way. The only stipulation is that it should be done privately. One must sit alone and not bother others. The reason this society is being against smokers is that they violate that rule. Manually, rudely, with their cigars in crowded elevators, and new restaurants has come. Never seen a smoker empty an ashtray? Never. The first-known smoking should be accepted in the Southwestern. Only newcomers are ever seen washing our ashtrays. Trust me.

One group of doctors in Washington

in sending black-burned death announcements to members of Congress to inform them when one of their constituents has died of a tobacco-related illness. The *Foresta Star*, largest newspaper in The Great White North, last week announced that as of March 31, it will no longer accept tobacco advertising—worth \$1 million annually. New Jersey's Democratic Senator Bill Bradley (the next president) is proposing to Congress that cigarette companies be denied a business tax deduction for the cost of advertising.

Whenever I get on a plane these days I always ask for the smoking section—so I can get some privacy. That nonsmoking section (which craps out when they don't do the fumigation each month) is so packed that all the pure ones have to sit cheek by jowl. Air Canada, on its 56-minute trip between Toronto and Ottawa, has no designated non-smokers; it's completely smoke free. Most smokers love it, and those who don't don't dare complain anymore. They're on the floor, pointing out, far from you, the smokers who don't smoke.

In this treatise, to be read only by sophisticated adults, we're not even going to get into the nasty (but actually) subject of inbreeds and romances, which is separating more people than carmelis. If you've ever been in an adoring relationship, you know what I mean. There can never be a meeting of minds on this, let alone lips. It is a controversy too sordid to discuss in the pages of a clean family magazine, and about my only suggestion is that you should restrict your courtship to the state of New York, where the vice authorities—B&B dub it St. Valentin's Day—must—b&w cannot—know that affairs of the heart can best be consummated in their clear air.

New York is rather cock-a-hoop these days, what with the Mets winning the World Series and then the Giants winning the Super Bowl, and is confident that its leadership in the Get the Rude Out campaign will filter down, in time, to the rest of what some of us longingly call civilization. Have patience, ye of faith.

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